This document must be completed and submitted to Lorraine Wareham at Lorraine.Wareham@illinois.gov prior to entering into or implementing any agreement(s) with a company(ies) for incumbent worker training. The Grantee may proceed with this project once approval has been obtained from DCEO.

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| --- | --- |
| **Date Submitted**:       | **Name of Employer**:       |
| **Grantee**:       | **Employer Sector / Industry**:       |
| **Grant Number**:       | **Total Number of Employees at Work Site**:       |
| **Project Name**:       | **Number of Employees to be Trained**:       |
| **Training Cost**:       | **Start/End Date of Training**:       |
| **Project Cost**:       (if different than the training cost) | **Participant will Receive**[ ]  Training Only[ ]  Industry Recognized Certificate or Credential |

**1 – Check the Incumbent Worker “at-risk” indicator(s) below that are applicable for this company**:

(More than one may be checked – check as many as applicable. See pages 2 and 3 of this document for descriptions of the at-risk indicators)

Below each at-risk indicator that is checked, you must provide specific/detailed information/discussion that supports the “at-risk” indicator as the factor on which the Incumbent Worker strategy is, or will be based.

[ ]  **Declining Sales**

[ ]  **Supply Chain Issues**

[ ]  **Adverse Industry / Market Trends**

[ ]  **Changes in Management Philosophy or Ownership**

[ ]  **Worker Does Not Have In-Demand Skills**

[ ]  **Strong Possibility of a Job if a Worker Attains New Skills**

[ ]  **Other “at-risk” Indicators**

**2 – Describe how that training will address the “at-risk” indicator(s) identified above and explain how the training will result in averting the layoff of employees.**

**3 – If the Grantee is not the training provider, discuss who will be providing the training, and if not provided in-house, confirm that the trainer selected or to be selected used an appropriate procurement process. If more than one training provider is used, describe the specific responsibilities of each.**

**4. – Describe the training that will be provided. Attach a course syllabus or course/training outline for the training to be provided.**

**a. – Discuss the workers that will be trained and provide the number of trainees by position title that will receive training. In the case of multi-class training, identify which positions will take each element**

**b. – Provide specifics such as, but not limited to: type of training; training mechanism; length of training; training outcome (i.e., certificate, credential, etc.).**

**5 – Provide the name of the staff that will be responsible for entering the appropriate information in the Incumbent Worker Tracking System (IWTS).**

**--- Incumbent Worker At-Risk Indicator Descriptions ---**

**There are various strategies to consider when averting closures or business failures to ensure job retention. The first step in determining the appropriate layoff aversion strategy is to understand the “at-risk” indicators. In many cases, more than one “at-risk” indicator will apply to a given event. Below are some of the “at-risk” indicators Illinois has identified to determine if a business is in need of intervention.**

· **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 acquired 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 required be conducted by the new supplier, etc. Supply chain issue 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.

· **Worker does not have necessary skills** - A worker’s skills or functions are no longer relevant to the employer’s production process and the worker is at risk of losing their employment without undergoing training to acquire new skills. A lack of necessary skills may be the result of a change in philosophy or product line or a change in the industry demands that results in the need for new technologies and abilities by the current workforce. Products and production lines are ever changing as they adapt to the needs of the market. With this change comes a need for evolution of the skill set of the workers. When considering if the lack of necessary skills is the cause of potential layoffs, has it been determined which workers have the ability to attain new relevant skills, are there other considerations to be made with an increase in skills such as new equipment / machinery needs or safety devices, etc.

· **Strong possibility of a job if a worker attains new skills** - The worker is in a position that is subject to layoff, and by acquiring new skills training he/she can move into a position that is not subject to layoff. New skills attainment may avert a layoff for individuals within a company or may make them more attractive to other companies. When considering whether the new skills will provide a strong possibility to prevent layoffs, what considerations have been given towards where the positions would be moved (in-house or with a new company), does the company have the capacity to expand another line of product (new or existing) to support the workers subject to layoff, has the business community shown a need and capacity for additionally trained workers, are the workers willing to relocate if the new opportunities are with another location of the same company or with a new company in a different locale, etc.

· **Other “at-risk” indicators**-Additional causes for potential layoffs may exist that the company and local area need to outline in making a case for assistance for incumbent workers. There may be other criteria that the Local Workforce Investment Area (LWIA) can gather with the consultation of the employer that puts part of their workforce “at-risk” for layoff (e.g., trend in company layoffs).