



Majority Policy Committee  
PA House of Representatives

Hearing – Assessing the Challenges Facing Pennsylvania Businesses

Testimony of Anna Weitz, D.Ed.  
President  
Reading Area Community College  
Reading, PA

August 21, 2012

Thank you for the opportunity to discuss from my perspective as a professional educator and specifically a community college educator the challenges that Pennsylvania faces in terms of revitalizing our economy through job retention and job creation.

Clearly in the standard economic development tool-kit there are essential components for attracting and retaining businesses including the availability of: appropriate sites and facilities, infrastructure such as electricity or power as well as ready access to transportation and capital plus other various economic incentives. While site selectors and business leaders certainly weigh and compare these criteria in picking one location over another for a company to begin operations or to expand, increasingly an additional consideration is the availability of on-going workforce training partner(s) who are attuned to the need for skill acquisition as well as credential attainment, such as industry-recognized certifications which are emerging as “must haves”. These training programs need to be offered in a convenient, time sensitive and efficient manner as well.

In some parts of this country, Alabama for example, a state that recently attracted a new Carpenter Technology facility, a skilled workforce and the availability of affordable ongoing workplace training are recognized as priorities and consistently treated as such in efforts to seek out businesses, entice them to stay, or perhaps even expand. Let me be clear Alabama is not alone in this approach. In these states economic development professionals include significant workplace training incentives and the identification of a primary trainer or educational partner in their presentations to site selectors and business leaders. Frequently such training partners are community colleges. And in many cases these community college Presidents literally participate in recruitment / retention presentations even in the early stages

of the process. This is possible for two reasons: (1) these states recognize that as a matter of policy they need to take the lead in making workforce training available and (2) they are willing to allocate significant amounts of funding to be used for such training as part of the overall package of incentives being offered.

Of course, not all employers' training needs can be met by a community college, for example, in case where the firm requires professionals with advanced degrees such as chemists or engineers. However, even in these instances, firms that are utilizing complex processes often partner with community colleges for part of their workforce training. And you might well be surprised at the range, scope and levels of applied training community colleges can supply ... in the fields of advanced manufacturing production, distribution, energy applications, and information technology, to name just a few examples.

Reading Area Community College has an outstanding track record of providing a wide range of customized training to regional businesses. And we work cooperatively with the Berks County Workforce Investment Board, the Greater Reading Economic Partnership, the Greater Reading Chamber of Commerce and other organizations that are focused on economic development to make our capacities known and be viewed as a regional resource. We have worked hard to forge these dynamic partnerships and in fact that cooperative spirit is paying dividends in our region.

However, as productive as these local partnerships can be, in my opinion, they are no substitute for a comprehensive state-wide public policy commitment that makes workforce development and employee training, not only for new hires but for incumbents' on-going appropriate skills upgrades, a priority. Making such funding available to address businesses' own identified needs should be seen as an investment that will pay many dividends.

In Pennsylvania when the Governor's Action Team is involved in recruiting a new business to the Commonwealth, there can be training dollars on the table. But the Pennsylvania amount available per employee -- \$450 for basic skills and up to \$850 for more advanced skills including IT -- pales in comparison to the funding packages offered by other states. And once a company is doing business in Pennsylvania the state budget for the last 5 years has decreased its investment in incumbent worker training grants offered through its Workforce and Economic Development Network (WEDnetPA) program that is designed to help employers, especially small to medium size companies, leverage their own money with public funds to secure needed training.

My point is simply this - Pennsylvania is not taking a fully integrated, comprehensive approach to addressing employers' workplace training needs with the goal of attracting or retaining business. That is demonstrated by the fact there are so few public training dollars as part of the mix and the state does not bring a training partner into the process from the beginning. In my opinion, this is the wrong tactic putting us at a distinct disadvantage when competing with other parts of the country.

Until Pennsylvania begins to think of significant workforce training incentives as an integral part of its economic development, recruitment, and business incentives and does so in a systematic, end-user friendly way, we will continue to lose opportunities to other states that do take this comprehensive approach.