

Good afternoon. My name is Amy Weller and I would first like to thank Representative Michelle Brooks for inviting me to testify this afternoon on behalf of the small businesses in the Commonwealth of Pennsylvania. For nearly 25 years, I've been involved with small business....as an employee, as a small business consultant, and most recently as a small business owner. I've watched small businesses grow and thrive as well as struggle and fail. The small business owner has always impressed me; they truly are a breed of their own. These men and women put their homes on the line, they carry the weight and stress of employing people (many of whom have families); they have long days, sleepless nights and wear many hats within their company. Yet, their passion and love for the entrepreneurial life, the American dream lives in their heart and they press on.

The challenges these businesses face are many, but I would like to speak today about what I believe is one of the greatest challenges, the need for skilled, hard-working, and motivated people. They need dependable employees who are drug-free, versatile and knowledgeable with today's technology on which our businesses depend.

I believe there is an untapped population in this country, the Commonwealth of Pennsylvania, in our own communities that could fill the human capital void of our small businesses. That population might be the displaced worker, the military veteran, the high school graduate that decided not to attend college. Through the efforts of the Pennsylvania CareerLinks and

programs such as Industry Partnerships and WEDnet, a small dent has been made in this critical area.

The tools of the trade have changed in this country over the decades. Companies can no longer rely on employees who can operate simple machines and basic tools; they need a labor force that understands and can operate highly sophisticated machinery and equipment. Technology has been a necessary evil to our US businesses. It has been one of the key components to maintaining a competitive edge. But without educated users of such technology, it can be more of a liability on the balance sheet rather than the asset for which the investment was intended. For small businesses to not only sustain but grow, they must have a workforce that has kept up with the speed of technology required to compete.

For five years working for a private-nonprofit organization whose mission was to help grow our Pennsylvania manufacturers, I witnessed the struggles these companies had in finding skilled candidates to employ or training their existing workforce to meet the requirements of operating new equipment. The need to address this human capital crisis is immediate. It is a real and growing issue for our companies. And it is one in which can be addressed through creating awareness of the problem (opportunity) and by educating those who can play a vital role in providing solutions.

For the last several months, I have been working closely with a mid-sized manufacturer who has weathered the current recession fairly well and experiencing business growth based on world demand of their product. They have invested tens of millions of dollars in equipment to meet the needs of their customers and are struggling to find skilled candidates in the current labor pull to operate their equipment. I believe this is not an isolated issue just with Ellwood Crankshaft & Machine Company and its sister divisions. I'm fairly certain there are many companies (manufacturers) in our Commonwealth that can't find the skilled talent that is necessary for their business needs.

Because Ellwood Crankshaft & Machine Company has recognized that this will be an ongoing problem for them, they have been forced to get creative in their talent acquisition efforts. They have realized how creating awareness of family sustaining career opportunities in manufacturing can yield huge returns in identifying and developing skilled labor. In recent years, this company has had some impressive success stories and a few which I'll share today.

Forging a relationship with local schools and communicating skill needs, the Ellwood Group has had the good fortune of participating in co-op programs with career centers such as the Lawrence County Technical Center where High School students learn a trade. Top students have an opportunity to work through a coop providing hands-on out of class-room experience in a manufacturing setting. In nearly every case, the student, upon High School graduation, has been absorbed into the manufacturer earning a wage that is nearly three-fold the local average.

Similarly, the New Castle School of Trades has produced a respectable number of skilled candidates for industry. Still the need is greater than the supply of candidates.

Today's small businesses have been forced to become creative in identifying the labor pull with their respective unique skill sets required. The President of Ellwood Crankshaft Group who leads one of the 6 divisions of Ellwood Group, Inc. believes in educating parents, schools, guidance counselors, school boards, legislators and most importantly kids about the lucrative career opportunities in manufacturing. He has created a new position within his Human Resource department dedicated to successful human capital acquisition, retention and workforce development. Through example and success of his efforts, he hopes this strategy will be one of many solutions to this current and ongoing workforce crisis.

On behalf of Weller Business Advisors, The Ellwood Group, Inc. and all small businesses in the Commonwealth of Pennsylvania, I applaud not only your recognition of these small business issues but your efforts in improving the conditions in which these businesses must operate. It must be a joint effort in creating solutions that will address the ongoing concerns, and the collaboration of many will be required. I thank you for your time and attention in the spirit of small business in Pennsylvania.