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Testimony presented to the PA State Board of Education
February 5, 2009 Public Hearing at Parkland High School
By Tony Iannelli, President & CEO, Greater Lehigh Valley Chamber of Commerce
Presented by: Michelle G. Young, VP Public Policy, GLVCC

Good morning. Members of the PA Board of Education, my fellow colleagues and guests---I am Tony Iannelli, president and CEO of the Greater Lehigh Valley Chamber of Commerce. Thank you for the invitation to address you today regarding education and workforce in the Lehigh Valley.

The Greater Lehigh Valley Chamber's mission is to deliver value to our almost 6,000 members in PA and New Jersey by providing superior programs and services; and advocating for and to advance business interests.

We are a region of more than 620,000 people and are fortunate to have 11 institutions of higher learning.

Greater Lehigh Valley Chamber of Commerce members believe that Pennsylvania needs a public education system that establishes clear accountability and provides every child with the opportunity to receive a quality education at reasonable taxpayer cost. Our members also believe PA needs workforce development programs that have clear performance criteria and are targeted to the needs of the community.

From a national perspective, the US Chamber of Commerce reports that "90% of the fastest-growing jobs in America require at least two years of postsecondary education. Over the next several years, the U.S. Department of Labor predicts there will be roughly four million new job openings in health care, education, and computer sciences alone. At the same time, nearly seventy eight million baby boomers are heading toward retirement. However, the nation's young people remain unprepared either to replace those workers or to fill new positions in high-growth areas. Today, a third of all students do not finish high school. Up to half of those who do graduate lack the advanced literacy and math skills they need to succeed in postsecondary education and the workforce." (1)

Those statistics weigh heavily on our Chamber members in the Lehigh Valley.

The Chamber is proud to partner with the PA Business Retention and Expansion Program. This program --known as BREP - is an important resource to help enhance the Lehigh Valley economy and create more jobs. It does so by reaching out to 800 businesses annually to understand the current issues facing our employers.

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According to the most recent BREP report, 40% of Lehigh Valley businesses said that the economy is their number one challenge. (2)

The Chamber's goal is to keep our small businesses and large companies right here in the Lehigh Valley. 80% of all new jobs are created by employers already located in our region—business retention is key to our area. (2a)

But, Lehigh Valley economist Kamran Afshar's most recent study on employment and purchasing plans show the most drastic decline since January 2002.(3) When asked about new hires, BREP stats showed almost 65% of companies do not plan to hire (2b) and Mr. Afshar's outlook for anticipated new hires in the Lehigh Valley proved almost stagnant. (3a)

Our members tell us they are having difficulty retaining technical people and those technical people are not always keeping up with technological advancements. The necessary skills in business today are computer and technology focused. Fluency in Excel and MSWord are as expected as what used to be answering the telephone.

But, communications skills will always be imperative. Business owners are looking for team players who are risk takers and entrepreneurs. Members tell us that young adults entering the workforce are not trained in standard work ethics, how to take ownership of their jobs, how to deal with attendance protocol, how to make their contribution to the company, sometimes issues with entitlement, how to take direction. These are the skills that cause conflict and turnover. When young people fail because of a lack of these attributes they will often blame their career and make the wrong decisions moving forward. HR experts tell us this is by far the main reason for turnover within organizations.

Interestingly, the BREP report showed that companies concerns about "workforce" was almost cut in half---down from 25% last year-- to 14% this year. 58% of these companies interviewed also said that they have no problems hiring qualified people, up from 49% last year.(2c) That proves in this economy employers have a much larger pool of job seekers and will hire the most skilled and qualified applicants.

When we face challenging, economic conditions, accounting, human resources and service industries that outsource segments of what a business needs tend to survive. Also fields such as plumbing, HVAC, painting, are always experiencing a shortage in skilled workers and these industries will continue to thrive as people are driven to maintain their current households vs. making new purchases.

While from the business perspective we recommend students look into fields of work that are thriving and successful-- unless there is "engagement" on the part

of the employee, in other words a true desire to serve in the field, the idea of directing employees to work in a field of work simply because jobs are fruitful could eventually lead to an unsuccessful and unsatisfying career. Students should be directed or educated in understanding their natural strengths, abilities and desires. They should then be encouraged to seek work in or around these fields of work. This direction will best serve the employee, the company and the Lehigh Valley in the long term.

"Given the quickening pace of change in workplace technology and the growing demand for flexible, highly-skilled employees in all sectors of the economy, not even the most experienced workers can afford to rely on existing skills. To remain competitive, businesses must invest not just in the preparation and recruitment of new talent, but also the continuing development of workers at all stages of their careers. Unless America makes dramatic improvements in education and workforce training, it will pay a terrible price, risking its place as an economic superpower and its identity as a striving, middle-class democracy."
(1a)

Resources:

(1,1a)--US Chamber of Commerce, www.uschamber.com –Education and Workforce Training Issues

(2,2a,2b,2c) – The PA Business Retention and Expansion Program—Summary Report for the period July –December 2008

(3,3a) – The Kamran Afshar-Greater Lehigh Valley Chamber Survey, presented 11/18/08 at "President's Roundtable"

