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Auditor General DePasquale Offers Framework to Create Nation's Best Workforce Development System, Applauds Gov. Wolf Initiative

Calls for continued action to improve state's job-creation and training initiatives

HARRISBURG – Auditor General Eugene DePasquale today released an audit recommending enhancements to Pennsylvania's workforce development programs and applauded Gov. Tom Wolf for creating a new command center to bolster state efforts to create jobs and train workers.

"In order to remain competitive in a global economy, we must make sure Pennsylvania offers employers a skilled, job-ready workforce, or they will look elsewhere to hire — it's really that simple," DePasquale said. "I'm confident the initiative Gov. Wolf announced today will help Pennsylvania achieve that goal."

DePasquale was on hand as Gov. Wolf signed an executive order to create the Keystone Economic Development and Workforce Command Center. Through it, the departments of Community and Economic Development, Labor & Industry (L&I), and State will work with external organizations — including the Chamber of Business and Industry and labor leaders — to find innovative solutions that close the skills gap and rapidly meet the needs of employers. DePasquale will serve as a member of the command center.

DePasquale's special performance audit examined if the state's workforce development system can identify current and future needs of employers, coordinate educational institutions and employment service programs to meet the needs of employers, and provide services to assist older and/or displaced workers to update their skill sets to re-enter the workforce.

"My audit found a need for a stronger commitment and more effective oversight to ensure the governor's vision and goals for workforce development are met," said DePasquale, who highlighted three key areas for improvement:

Work Readiness Skills

The state should develop a plan for improving how the educational system prepares students with work-readiness skills. These include foundational skills such as punctuality, communication, problem-solving ability, teamwork, accepting direction and criticism, meeting deadlines, and keeping a positive attitude.

"During hearings to prepare this audit, employers told me it's often tough to find workers who understand how to do such basic things as answer a phone call or get to work on time," DePasquale said. "Being ready to work is about much more than simply being able to perform the task at hand; it's about developing good work habits and people skills that will make you a key part of a successful team."

Surveys sent to both the state Workforce Development Board members and executive directors of local boards regarding work-readiness skills, known among employers as "soft skills," elicited comments including:

- "All industries in our region are indicating the lack of available workers with the minimal skills necessary to be a good employee. We are finding that it is a misconception that only the

younger generation lacks these skills; it is becoming evident that people of all ages are lacking these foundational skills.”

- “The biggest challenges include skills training. Both soft skills and technical skills need to meet the demand from existing PA employers and prospective businesses looking to locate in PA.”
- “Workforce is evolving and challenges include but are not limited to: meeting the demands of a younger workforce; lack of soft skills; skill gaps in the trades.”

Rebranding Skilled Trades

The audit recommends the state do a better job of rebranding jobs in skilled trades, recognizing that many skilled trades offer solid earning potential and job security, as well educational requirements that may cost significantly less than a college degree.

“Not every student looking for a good career wants to — or necessarily should — enroll in college,” DePasquale said. “While earning a degree is a laudable goal, it is not a one-size-fits-all solution. There are and will continue to be plenty of opportunities in the skilled trades, and we must encourage young adults to consider these important professions as a viable career path.”

Retraining Older Workers

The audit suggests the state should develop additional services or programs specifically designed for individuals age 55 and older to update their skill sets and re-enter the workforce.

“Older workers, who comprise over 25 percent of Pennsylvania’s workforce, are generally viewed as reliable, loyal workers with well-established critical thinking, leadership, teamwork and communication skills,” DePasquale said. “With proper education and training to match employers’ needs, older workers can remain a valuable part of Pennsylvania’s workforce.”

Calling for Action

A number of respected business and labor leaders offered support for DePasquale’s call to strengthen Pennsylvania’s approach to workforce development:

“It is encouraging to see a concerted effort being made to help our young people, and their parents, understand that many well-paying careers in the skilled trades do not often require the time and expense of a four-year college degree. Further, when our training providers are incented and catalyzed to provide real-world training for real-world jobs, Pennsylvanians will earn good paychecks and Pennsylvania communities will be stronger economically.” — Former Governor **Mark Schweiker**, Chief Relationship Officer and Senior Vice President, Renmatix.

“I am excited to see government, business and educational institutions coming together to invest in workforce development and better aligning skills with the known demand. We have a big opportunity to connect Pennsylvania citizens with good jobs, enabling businesses to grow and unleashing the potential in our economy.” — **Darryl Gordon**, Vice President – Human Resources, The High Companies

“Workers who are educated and professionally competent are much in demand and highly coveted by employers. Coupled with the ability to problem solve, work as part of a team, and communicate effectively, these skilled tradesmen command above average compensation and are vital in meeting the challenge of closing the ‘skills gap.’” — **Paul Anthony**, Business Manager, International Brotherhood of Electrical Workers Local Union 375

“We consistently hear from companies that are struggling to fill skilled positions. These are good-paying, family-sustaining jobs, but new graduates and their parents are often quick to dismiss them, because of an outdated perception of the work environment. When they do consider the opportunity, they see that these aren’t the machine shops our fathers and

grandfathers worked in. They're high-tech, fast-paced workplaces that engage and reward skilled workers in many different ways. – **Michelle Hartmann**, Director of Community & Workforce Programs, Penn State Behrend

“We’re all trying to get middle school and high school students to consider the trades as a career option, because they provide a sustainable family income, and they will help refill the pipeline of lost skilled workers. Not just welders, but electricians, pipefitters and other trades professions where that aging demographic is not being replenished fast enough because of parents who insist that their children go to a four- year liberal arts college, regardless if they can make a living with their degrees.” — **Jack Manning**, Executive Director and President, Beaver County Chamber of Commerce

In releasing the audit, DePasquale also announced plans to conduct new hearings on workforce development, starting in Lancaster in the near future.

“I look forward to hearing more about how we can do a better job at the state level and will be sharing what I learn with other members of the new command center,” DePasquale added.

Review the full [Workforce Development Performance Audit report](#) online at www.PaAuditor.gov.

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