

Key Takeaways

- Understanding regional economic, industry, and population trends will help communities better develop workforce and employment strategies specific to their region.
- Collaboration between employers and educational programs, such as the Your Employability Skills (YES) program in the northeast and the Pennsylvania Education Improvement Tax Credit (EITC) Program, can create opportunities for students to stay and work in their local communities.
- Establishing training partnerships between businesses and educators, supporting workforce development boards, creating apprenticeship programs, and focusing on retention by upscaling workers' skills are important to maintaining and growing the workforce.
- The Pennsylvania State System of Higher Education is creating a user-friendly credential registry that will help potential employees and employers match skills and competencies to allow for more streamlined career pathways.
- Quality of life and innovation are key to economic growth and sustainability in rural areas. However, limited availability of affordable and middle-income housing, childcare, and broadband are persistent issues for workforce recruitment and retention.

Background

On May 25, 2023, the Center for Rural Pennsylvania Board of Directors hosted a public hearing on rural workforce availability and population change at the Pennsylvania College of Technology in Williamsport, Pa. Representatives from business and industry, higher education, and workforce development organizations provided insights on how changing rural demographics are impacting the number of workers entering and leaving the workforce. These professionals brought a wide range of experience to issues surrounding workforce changes and the role state government can play in ensuring workforce sustainability.

Issues Facing the Rural Workforce

Kevin Sunday, Pennsylvania Chamber of Business and Industry Director of Government Affairs, focused on the importance of making Pennsylvania economically competitive and having a policy environment that encourages growth. He offered the following ideas on what the state could do to encourage growth and investment in the state: update tax and regulatory structures, modernize infrastructure, and continue efforts to improve access to childcare, streamline occupational licensing requirements, and encourage employment of marginalized populations. He said that more research is needed to understand regional economic needs and population migration trends. Specifically, he pointed out that each region of the state has its own key industries, and, in many cases, will be influenced by the economic and demographic trends of metro regions in neighboring states. For workforce development, Mr. Sunday called for programs to upscale workers' skills and more apprenticeship programs.

Carrie Amann, Executive Director of the Pennsylvania Workforce Development Association, stressed that the workforce disruption caused by the COVID-19 pandemic is here to stay and that there are no silver bullets to improve rural development. However, she noted there are opportunities to redesign workforce models. For example, Ms. Amann pointed to the need to connect youth to summer employment, establish training partnerships between businesses and educators, and focus on retention by upscaling workers' skills. Ms. Amann supported rural workforce development boards as important institutions for economic success but worried they are stifled by lack of funding and state and federal regulations. She argued for more flexibility for local boards and greater access to local-level data on employment trends. Ms. Amann also recommended that the state develop industry-specific strategies and invest first in competitive industries.

Chief Operating Officer of UPMC North Central Pa. and

President of UPMC Williamsport Patti Jackson-Gehris focused her remarks on rural workforce trends affecting health care institutions, which are some of the largest employers in rural communities. Facing recruitment and retention challenges and a dwindling pipeline of new employees, her organization adopted a host of new policies and programs. Among them is a "team of care" model, which surrounds RNs with entry-level care providers to limit burdens on nurses and provide growth opportunities for other caregivers. Other efforts include: enhanced benefits such as tuition and scheduling flexibility for childcare and eldercare; increased messaging for high school students to consider a career in health care; and partnerships with local colleges and universities. Ms. Jackson-Gehris called for more support for public/private partnerships and apprenticeship programs. She also pointed to the particular challenges that limited housing, transportation, and childcare supplies create for the recruitment and retention of health care professionals, and emergency medical services/paramedic support providers.

Education and Workforce Development

The next panel presented ways in which businesses and educators have been collaborating to support workforce development, especially in rural communities. Courtney Fasnacht, Executive Director of the Northeast Pennsylvania Manufacturers and Employers Council, spoke about the Your Employability Skills (YES) program. This 1-year program provides high school seniors with basic job skills, resume writing, and interview coaching. It also provides tours of a variety of employer sites in the region. About 3,500 students successfully completed the program. Recipients of a YES Certificate can receive preferential consideration in hiring from local employers as well as scholarship opportunities at several state universities. Ms. Fasnacht said employers view this program as a prescreening tool, saving them time and money by providing good employees that can grow with the company. One of the key benefits of the YES program is providing connections between young workers and industries in northeastern Pennsylvania, where workers can continue to live rather than migrating out for work. Ms. Fasnacht said rural workforce development requires a multi-faceted approach aimed at creating opportunities and improving the overall quality of life in these areas. First, there should be a focus on expanding awareness of the local job markets as our economic development partners continue attracting new industries and businesses that can provide sustainable employment opportunities. Also, investing in vocational and technical training programs can equip young people with practical skills needed

for local job market demands. Finally, efforts should be made to strengthen community engagement, support local entrepreneurship, invest in workforce development best practices, and foster a sense of belonging by promoting recreational activities specific to rural communities.

The value and importance of Pennsylvania's Education Improvement Tax Credit (EITC) was presented by George Stark, Director of External Affairs at Coterra Energy. Through EITC, which is administered by the Pennsylvania Department of Community and Economic Development, eligible businesses can receive tax credits based on their donations to scholarship, educational improvement, and/or Pre-Kindergarten scholarship organizations. Mr. Stark noted that a majority of EITC funds go to public schools, including career and technical education centers (CTCs). He spoke about the partnership his company has developed with the Pennsylvania Association of Rural and Small Schools as well as Lackawanna College and Pennsylvania College of Technology. Mr. Stark said EITC is an underused program that helps industries develop the next generation of workers while also reducing industries' tax liabilities.

Hope Lineman, Strategic Advisor to the Chancellor for Workforce Innovation at the Pennsylvania State System of Higher Education (PASSHE), stressed the need to have a workforce comprised of lifelong learners. PASSHE is advancing that goal by working with employers to create stackable, business-driven credentials to ensure students at all levels are receiving the skills they need to successfully advance their careers. To support this change in educational structure, PASSHE is creating a user-friendly credential registry that will allow residents and businesses to identify the skills they need for a particular industry and where to get certifications for those skills. Ms. Lineman stressed that the registry would include transparency and accountability to help all users identify the most successful and supportive programming in terms of return on investment and job progression. Ms. Lineman said PASSHE is committed to collaborating with Pennsylvania's employers and agencies to prepare the next generation of workers, but that collaborative programs require additional investment to ensure success.

Strengthening Rural Pennsylvania Communities

Mark Muro, Senior Fellow with Brookings Metro, discussed the importance of innovation to economic growth and how Pennsylvania can support driving innovation in rural communities. Over the past several decades, innovation (often measured in growth in employment in a new industry and the number of new businesses) has largely been focused in urban tech centers, like Silicon Valley and Seattle. Mr. Muro suggested that these trends should not be limited to urban areas, and that the Commonwealth should do more to foster entrepreneurship statewide, as less than 2 percent of university research and development occurs outside of the three largest academic hubs in the state. In particular, he recommended a committed messaging strategy from the Governor to encourage innovation and entrepreneurship statewide, along with investments in innovation programs, like the Ben Franklin Technology Partners, Life Sciences Greenhouses, challenge grants for entrepreneurs, and the Penn State Launchbox Network, to foster local and regional partnerships.

Tony Pipa, Senior Fellow for the Brookings' Center for Sustainable Development, spoke on rural capacity building and supporting communities more broadly. His research finds that programs focused on improving quality of life at the community level are essential to retaining rural populations in addition to workforce development. This often means supporting administrative capacity and relationship building at the local level. He reinforced previous comments on the importance of making state administrative data available and useful to local businesses and officials. He also stressed that most rural areas that are gaining population are doing so through in-migration of more racially and culturally diverse groups than current residents. Communities that can welcome and support newcomers will have significant advantages in retaining and growing their population. He noted that "the 'unnatural act of collaboration' needs to be incentivized," adding that perceptions of rural areas need to change, given that rural sectors such as manufacturing and energy support both rural and urban areas.

Attracting Residents and Workers to Rural Pennsylvania

The final panel featured Dr. Bing Ran, Associate Professor of Public Administration at Penn State Harrisburg and Dr. Joseph Hafer, Assistant Professor of Public and Nonprofit Administration at The University of Memphis. They discussed their recent Center for Rural Pennsylvania-funded research on reversing population decline. The researchers discussed a survey they conducted that included residents of Pennsylvania and nearby states on their perspectives of rural Pennsylvania and what might entice them to move there. Between 15 and 20 percent of respondents said they were willing to move from their current location, and roughly a quarter of respondents said they would prefer to live in rural areas. Respondents who were married, had school-age children, and worked remotely were more interested in living in rural areas. They noted good primary education for their children, outdoor recreation, and a more laid-back way of life as the primary draws to rural Pennsylvania. The executive summary and research report will be published on the Center for Rural Pennsylvania's website.

Thank you to the hearing participants: Dr. Michael Reed, President, Pennsylvania College of Technology; Kevin Sunday, Director of Government Affairs, Pennsylvania Chamber of Business and Industry; Carrie Amann, Executive Director, Pennsylvania Workforce Development Association; Patti Jackson-Gehris, Chief Operating Officer, UPMC North Central Pa., and President, UPMC Williamsport; Courtney Fasnacht, Executive Director, and Darlene Robbins, President, Northeast Pennsylvania Manufacturers and Employers Association and Council; George Stark, Director of External Affairs, Coterra Energy; Hope Lineman, Strategic Advisor to the Chancellor for Workforce Innovation, Pennsylvania State System of Higher Education; Mark Muro, Senior Fellow, Brookings Metro, and Tony Pipa, Senior Fellow, Global Economy and Development, Center for Sustainable Development, Brookings Institution; Dr. Bing Ran, Associate Professor of Public Administration, Penn State University Harrisburg; and Dr. Joseph Hafer, Assistant Professor of Public and Nonprofit Administration, University of Memphis.



Scan QR code for the agenda, testimony, and recording of the public hearing.

Center for Rural Pennsylvania Board of Directors

Chairman, Senator Gene Yaw | *Vice Chairman*, Representative Eddie Day Pashinski

Secretary, Dr. Nancy Falvo, *Pennsylvania Western University Clarion* | *Treasurer*, Mr. Stephen M. Brame, *Governor's Representative*
Senator Judy Schwank | Representative Dan Moul | Mr. Richard Esch, *University of Pittsburgh* | Dr. Timothy Kelsey, *Pennsylvania State University*
Ms. Shannon M. Munro, *Pennsylvania College of Technology* | Dr. Charles Patterson, *Shippensburg University of Pennsylvania*
Ms. Susan Snelick, *Northern Pennsylvania Regional College* | Mr. Darrin Youker, *Governor's Representative*

Center for Rural Pennsylvania Staff

Executive Director, Kyle C. Kopko, Ph.D. | *Assistant Director*, Laura R. Dimino, Ph.D. | *Senior Policy Analyst*, Jonathan Johnson
Communications Manager, Christine Caldara Piatos | *Office Manager*, Linda Hinson | *Public Policy Data Analyst*, David W. Martin
625 Forster St., Room 902, Harrisburg, PA 17120 | 717-787-9555 | www.rural.pa.gov