

Poll: Schools, workforce key in corporate recruitment

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[By J. Scott Trubey](#)- The Atlanta Journal-Constitution

What is the biggest concern of prospects looking to create jobs and invest in Georgia?

It's not state and local taxes, transportation or political climate. It's finding skilled workers and, by extension, good public schools, according to a survey of Georgia economic development officials and groups that help recruit companies.

Successful expansion or relocation hinges on a skilled workforce, site selection officials and recruiters say. The issue goes beyond Georgia, but the state, like others in the South, trails in some education measures.

"Education and workforce are inextricably linked. You can't separate the two," said Jeff Gagne, director of education policies for the Southern Regional Education Board, a nonpartisan group that works improve public education in Georgia and 15 others states from Delaware to Texas.

In an informal survey of attendees at the Georgia Economic Developers Association annual conference in Savannah:

- Six out of 10 said workforce quality is the biggest concern raised by prospects considering Georgia.
- One out of five said public school quality is the biggest worry cited by prospects.
- Nearly six out 10 said improving public schools would be the single most effective thing the state can do to help recruitment.
- More than eight in 10 said a highly educated workforce and strong education system is more important to a healthy economy than being the lowest cost/lowest tax state or offering a great quality of life.

Georgia has historically trailed the nation in key education metrics. The state, like many in the U.S., and the South in particular, also faces a shortage of skilled technical workers, coveted by such employers as advanced manufacturers.

Most of those surveyed — 56.1 percent — said enhancing public school performance far surpassed improving transportation (16.7 percent), increasing incentives to businesses (13.6 percent) or reducing taxes (3 percent) as the single most effective step lawmakers could take.

The survey was included at The Atlanta Journal-Constitution's request in an email to attendees of the GEDA event in September. About 70 responded. Though not a scientific survey, it offers a glimpse of the thinking of top local and state economic recruiters and the companies they pitch.

"Workforce is the No. 1 issue for companies looking to make a relocation decision," Hans Gant, Metro Atlanta Chamber senior vice president of economic development, said in an emailed statement. "Yes, transportation, our international airport, our cost of doing business and our quality of life are all important factors, but they are outweighed by workforce issues."

Gant said "Georgia's workforce availability and depth is strong," praising the state's private and public colleges and technical college system for preparing students for careers.

Gov. Nathan Deal has said the same, touting Georgia's No. 1 workforce ranking by financial network CNBC. The ranking considers education level, available labor, union memberships and whether a state is right-to-work, and worker training programs.

But Georgia falls below the national average in percentage of working-age adults with two- or four-year college degrees, according to a report by the private Lumina Foundation, which used data from the 2011 Census. The state lags farther behind in the percentage of young adults with college degrees, the report showed.

Job creation is among the top policy priorities of state leaders. The Great Recession pummeled Georgia, and the state's unemployment rate remains above the national average.

Deal launched the Georgia Competitiveness Initiative soon after taking office, and a key thrust was to promote post-secondary education options, including technical certificates and degrees to help meet growing demand for skilled labor.

"We know that education is economic development," Deal spokeswoman Sasha Dlugolenski said in an email response to a request for comment. She cited more than 77,000 jobs created in Georgia during Deal's tenure. The governor has set a goal of adding 250,000-post secondary graduates to Georgia's workforce by 2020.

The state also launched Go Build Georgia, a public-private venture to boost skilled trade employment and inform young people about jobs and training available as well as the pay. It has Mike Rowe, the host of the former Discovery Channel program "Dirty Jobs," as a pitchman.

Georgia's Quick Start jobs training program, which provides training to employees in manufacturing and other sectors, has also been lauded nationally, recruiters say.

The results of the poll also are not a surprise to John H. Boyd, a New Jersey site consultant.

Companies want an education system that not only has prepared the workers of today, but will help companies attract and retain talent, he said. Businesses want prospective hires to have confidence the local schools and colleges will also prepare their children for the future.

Boyd said Southern states have had to battle a stigma of poor schools for as long as his group, The Boyd Co., has been in business — more than five decades.

But a new phenomenon of "re-shoring," when U.S. companies move manufacturing back home from abroad, is pressuring states to make sure they have a skilled workforce, Boyd said.

"The fact that workforce skills are an issue, it means more now than it did 10 years ago," he said. "Re-shoring wasn't happening then. Jobs are no longer washing away; they're (coming) back."

Georgia boasts top public and private universities such as Emory, Georgia Tech and the University of Georgia. But its high school graduation rate of 67 percent in the 2010-11 school year trailed many neighboring states, according to the U.S. Department of Education.

A 2011 report by the Southern Governors' Association found a gap in the number of "middle-skill" workers in the U.S., but particularly in the South. These jobs, which typically require more than a high school degree but less than a college diploma, are in growing fields like information technology, health care, logistics and energy.

"Middle-skill jobs account for 51 percent of Georgia's labor market, but only 40 percent of the state's workers are currently trained to the middle-skill level," the report said. Nearly half of all job openings through 2018 were expected to fall in this category of technical jobs, the report said.

Gagne, the education policy expert with Southern Regional Education Board, said Georgia has done a good job trying to close the middle skill gap through its high schools and technical college systems. Georgia also has improved high school graduation rates, though it still lags.

While the state has long emphasized its ability to train workers for companies that want to relocate, lawmakers have also been criticized for slashing K-12 and higher education funding over the past decade.

School groups say billions of dollars have been cut, forcing local systems to lay off and furlough teachers, cut back on programs and raise property taxes. The university system has raised tuition and fees annually to make up for the lost revenue.

State schools superintendent John Barge, who is challenging Deal in the Republican primary for governor, said his agency launched a “pathways” program this year to help students better prepare for careers. The program, formed with input from business groups, carves out about 20 clusters, including manufacturing, health sciences, information technology, finance and energy.

The key to keeping students engaged and in school, Barge said, is to make education relevant to life goals. Students need to identify possible careers earlier to avoid wasting time and money when they go to college or technical school, he said.

“The whole point is to put them on the right path,” Barge said.

Among the AJC’s questions to recruiters:

What is the biggest concern about Georgia that you hear raised by companies considering relocation to the state?

Public school quality: 21.2 percent

Quality of workforce: 59.1 percent

Traffic or transportation problems: 12.1 percent

State and local taxes: 3 percent

What is the single most effective step state government could take to significantly improve economic growth in Georgia?

Improve public school education: 56.1 percent

Improve transportation: 16.7 percent

Reduce state taxes: 3 percent

Increase financial incentives for job creators: 13.6 percent

Improve or increase marketing: 3 percent

Which one of the following will matter most over the next 10 years for states to have healthy economies?

Be among the lowest cost/lowest tax options: 4.5 percent

Have a highly educated workforce and a strong education system for children: 86.6 percent

Offer great quality of life: 8.9 percent

Should Georgia expand, shrink or leave unchanged its financial incentives for job creators?

Increase: 62.1 percent

Decrease: 4.6 percent

Leave unchanged: 33.3 percent

Do you think the Atlanta and Dougherty County public school cheating scandals and accreditation controversies in DeKalb and Clayton counties and the city of Atlanta have significantly hurt efforts to recruit businesses to Georgia?

Yes: 44.8 percent

No: 16.4 percent

Don't know: 38.8 percent

*Not all responses will equal 100 percent

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