

## **Testimony**

Governor's Education Reform Commission Hearing

Robert Kratzke, President/CEO, Globenet Training

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Long Island

Chairman Parsons and other distinguished members of the Commission, thank you for the opportunity to testify today.

I am Robert Kratzke, the President and CEO of Globenet Training here on Long Island, and I am also a member of the business leaders organization, America's Edge. I am here to address an issue of importance to myself, my business and our state's economy: New York businesses are experiencing a shortage of employees with skills needed to compete in a global marketplace – in large part because students are not developing those skills through our education system.

Let me outline the problem. According to the Nation's Report Card, only 26 percent of our 12<sup>th</sup> grade students are proficient in math and 38 percent are proficient in reading. Only 37 percent of New York public school students graduate "college and career ready." Three-quarters of New York City public high school graduates enrolling for associate's degrees at the CUNY require remedial courses.

The lack of a skilled workforce comes at a high cost for individuals, businesses and our economy. In 2010, as our economy was just beginning to really recover, almost 15 percent of college graduates were jobless, while less than 5 percent of college graduates were unemployed. In New York, 11 percent of high school dropouts were jobless, versus 6 percent of college graduates. Each new class of dropouts nationwide will earn \$154

billion less over their lifetimes than their high school peers, which translates to over \$500,000 less in lifetime earnings per dropout.

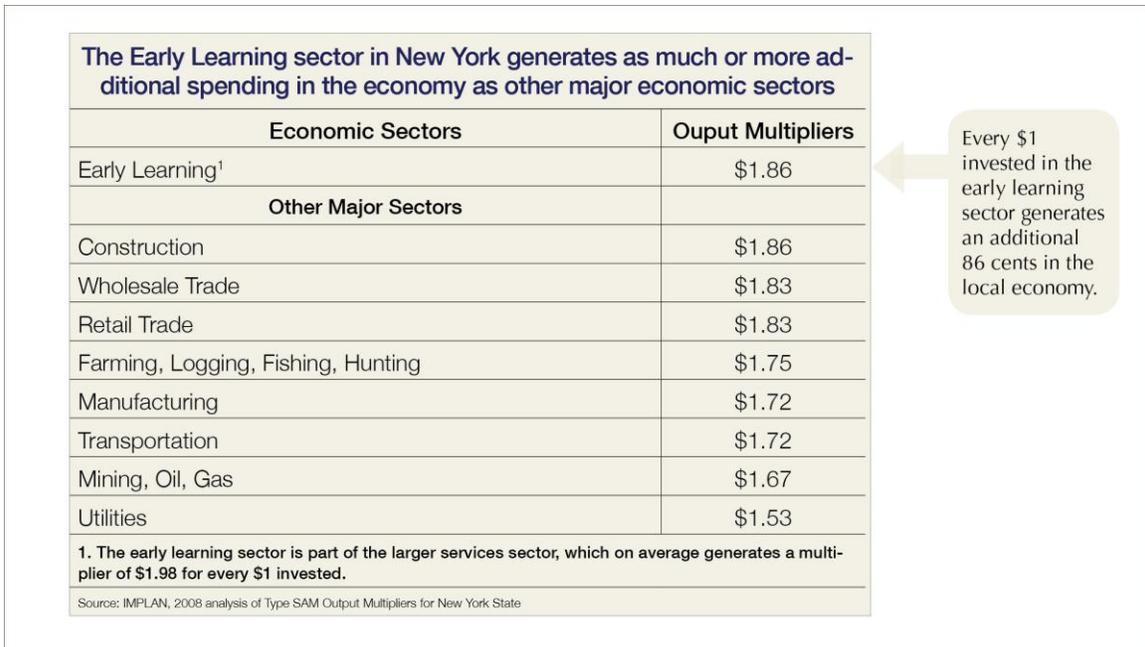
How did we get to these dismal statistics? Consider these facts in New York:

- 22 percent of high school students do not graduate on time;
- 70 percent of eighth graders are below grade level in math; and
- 65 percent of fourth graders read below grade level.

Nationwide, 60 percent of three- to five-year-olds do not have the basic skills expected when they enter kindergarten, such as counting to ten and recognizing letters in the alphabet.

To reverse these statistics, we need to start with quality early care and education. We now know that the foundations upon which hard skills and the increasingly important soft skills – communication, collaboration, and critical thinking – are built during a child’s most formative years: from birth through age five. Extensive research confirms that children who participated in high-quality early learning programs are 44 percent more likely to graduate from high school; four times more likely to have earned a four-year college degree by age 30; and 31 percent more likely to hold a job considered semi-skilled or higher.

We do not need to wait 20 years to enjoy significant economic returns. The early learning sector in New York employs over 100,000 people and generates more than \$4 billion annually in economic activity for the state. In fact, every \$1 invested in early learning generates a total of \$1.86 in sales of local goods and services, performing as well or better than investments in manufacturing, transportation, and wholesale and retail trade. The table below details amounts generated in the early learning sector compared to other sectors in the state:



Still, with 62 percent of children under the age of six in New York having both or their only parent in the workforce, more programs need to be available. Here on Long Island, about half of all pre-school age children do not have access to a regulated early learning setting. For a business, this can be extremely harmful. Losing a day of work or losing a good employee due to issues or lack of quality day-care is of concern to most companies. **But here is the catch – investment in early learning is *only* a smart investment if we are investing in *high-quality* programs.** It is not enough simply to expand our early learning programs to include more children. To achieve strong economic outcomes, those programs must have identifiable “quality components.”

These components are the tenants of QUALITYStarsNY, a quality rating improvement system that would ensure we are investing our state resources in high-quality programs by setting clear quality standards for early education programs and creating a roadmap for program improvement. It would also give parents reliable information on how to choose the best program for their child. More specifically, researchers have found that high-quality early care and education programs have several key characteristics, including:

- Highly skilled teachers with appropriate compensation;
- Comprehensive and age-appropriate curricula;

- Strong family involvement;
- Small child-to-staff ratios to ensure each child gets sufficient attention;
- Small, age-appropriate class sizes; and
- Screening and referral services for developmental, health or behavior problems.

I want to also touch on another reason New York businesses are experiencing skills gaps. Across almost every occupation, education requirements are increasing. Experts estimate that, by 2018, 63 percent of all jobs in New York will require post-secondary education. Science, Technology, Engineering and Math (STEM) jobs will grow by 10 percent in New York between 2008 and 2018, and 93 percent of STEM jobs will require post-secondary education by 2018. This is a problem, especially for the increasingly technology- and innovation-driven companies here on Long Island.

Businesses know that career relevance must be incorporated into the classroom. School is often boring. Too many students do not understand why they need to know what they are being taught, lose interest in school, and then do not develop the skills employers expect of them. High school students will soon be the new entrants to our workforce, and we must ensure they are prepared. Innovative models in our high schools can help student stay engaged in school and graduate with a real understanding of what they will need to succeed in college and on the job, thus better ensuring New York business leaders will have a workforce armed with the necessary skills to survive in a global marketplace.

We should develop standards for college and career readiness that contain both rigorous academic content and the teaching of advanced skills such as critical thinking, communication, and the application of content knowledge. For example, some successful models have curriculum that follows a project-based learning environment that emphasizes math, science and technology, but also exposes students to language, arts and physical education. Students are also given work-based learning opportunities. By working in teams and getting real work experience, students begin to understand the importance of professionalism, reliability, teamwork and clear communications skills.

I urge you today to include two recommendations in your final report on how to transform New York's schools. **First**, high-quality early learning programs must be made available to **all** New York children from birth through the age of five, with QUALITYstarsNY being implemented statewide so our early learning programs have clear quality components and parents have reliable information on how to choose the best program for their child.

**Second**, we must change our traditional views of how to educate our high school students and bring career relevance into the classroom with models that are working – models that are increasing student engagement, graduation rates, and enrollment in post-secondary training and education.

**I urge you to work with the business community to implement concrete education reforms that will help to create a skilled work force and sustained economic security for Long Island and the State of New York.**