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An Interview With Ron Lehman Business' Leader In The Texas Workforce Commission

Editor's Note: The Texas Workforce Commission (TWC) is a state agency dedicated to helping Texas employers, its workers, and communities prosper economically. TWC supports the Governor's economic development strategy by developing linkages and synergy with economic development, education, and workforce development. There are three commissioners who represent employers, employees, and the public. Ron Lehman is the Commissioner Representing Employers.

IM Q? What are the top competitive advantages Texas provides to companies? Texas has an ideal geographic location for companies needing to service markets throughout North and South America as well as other international markets through our world-class seaports. Texas also has a diverse and highly qualified workforce that can meet the needs of a wide range of businesses. It supports both businesses and workers through a workforce development system that is recognized as a national leader in serving employers as primary customers.

Texas has an excellent and continuously improving education system from K-12 through higher education. Further, Texas is committed to preserving and expanding its numerous research institutions that are on the leading edge of technological innovation in many industries.

In addition to these factors, Texas now has an economic development infrastructure led by Governor Rick Perry, who has a deep understanding of and commitment to economic development. The Governor has assembled an economic development team that is creating a "one-stop shop" for businesses located here or considering moving here. The Texas Workforce Commission and the Local Workforce Development Boards are key members of that team.

IM Q? Does Texas have a list of "target industries" it would like to see developed? In Texas, we like to say, "Texas is wide open for business". Although we have an expectation that certain target industries will grow (Life Sciences, Aerospace, Logistics, Automotive and Information Technology), we are continually re-examining the economy and targeting those additional industries that offer the most promise for growth in high skilled/high wage jobs. Because of our size and the diversity of our state, we are interested in supporting businesses that create positive impacts wherever they choose to operate. While targeted industries may receive certain preferences, we pride ourselves in being flexible and responsive to any type of business.

IM Q? What is the state's current funding level for the Skills Development Fund? Are there additional training funds available under other programs (and how much)? The Skills Development Fund has been extraordinarily effective at supporting business' needs for trained workers and stands at \$12.5 million per year. We also have several other funds that are used to support the specific needs of businesses, including The Self-Sufficiency Fund, which is funded at \$3 million per year. The Apprenticeship Training Fund budgeted at \$0.5 million per year and, very importantly, our local Workforce Board's have discretionary funds of approximately \$25 million per year.

Remember that, as a key customer of the Texas workforce system, the employer is not expected to know which program or fund to ask about. The employer explains the business need and the kind of solutions they are seeking. The workforce boards and their network of two hundred seventy-five workforce centers then identify the best way to support the desired solution.

IM Q? How do the levels for the above funds compare to past years? In the face of record budget challenges, the Governor and the Legislature chose to continue the funding at the same level as in previous years. And, as a result of the Commission's pursuit of more flexibility, and the local workforce boards' commitment to training, the funds at the local level continue to increase.

IM Q? It seems as if Texas likes the consortium approach, for instance, when companies come together to apply for training. Is this true and why is there a focus on consortiums? Many companies have individually benefited from these training funds. However, as a former private sector training director, I saw significant gains in efficiency, quality, and leverage by developing higher quality training across multiple sites, disciplines, or product lines. We believe that employers and taxpayers are often better served by collaborating on training efforts. By developing and delivering high quality, industry driven curriculum that still supports

proprietary content where needed, we meet the needs of employers and stretch our training dollars.

We see industry associations and business groups as our allies in pulling together consortiums to deliver training and other workforce solutions to businesses. We are fortunate to have an excellent network of Community and Technical Colleges and private training providers that work with our employers whether individually, or in consortia.