

Statement for the Record of Warren S.  
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President, Hudak & Company

**Pennsylvania State Senate**

Education Funding Committee

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1104 Fernwood Ave  
Camp Hill PA 17011

- Good morning. My name is Warren Hudak, and I am an enrolled agent and president of Hudak and Company, a Central Pennsylvania-based small-business accounting firm specializing in payroll services, bookkeeping, sales tax services, and advanced tax transaction analysis. My firm serves small-business clients in virtually every sector of the economy.

Thank you for the invitation to appear before the Education Funding Committee.

Identifying, acquiring, and retaining qualified employees has become an increasingly arduous task for businesses and entrepreneurs.

Wage expectations often do not align with an applicant's experience or ability. Our most recent job posting offered a salary 40% above pre pandemic levels. Out of the 218 applications received, not a single qualified applicant.

Our clients in the trades are not getting applicants. You can't fix a car from home.

One business owner in State College said after forty years in business he must hire 1.5 employees for every position.

Another business owner said he has 20-year-old college students who struggles to calculate sales tax on \$100.

Applicant work histories reveal candidates frequently hopping from job to job. Recent graduates lack people skills, an unwillingness to accept criticism or feedback, have difficulty adapting to new situations or environments, or a resistance to change.

Some education advocates would have you believe these deficiencies in hard and soft skills are a result of funding inequity inherent in our school funding formula.

Local school districts such as Cumberland Valley and Harrisburg School District spend \$12,500 and \$16,500 per pupil, respectively. If funding alone were a measure of academic success, Harrisburg students surely would surpass CV students in statewide test scores. We know that is not the case.

Parochial schools in our area with which I am familiar charge families about \$12,000 per pupil.

The average cost per pupil in Pennsylvania's public school is \$20,000.

The amount of funding, or lack thereof is not the problem.

When President John F. Kennedy challenged the nation to send a man to the moon, American schools rose to the challenge and produced a workforce of arguably the best engineers, scientist, mathematician, innovators, and inventors the world has ever known.

There is a disconnect between the skills taught in high schools and those demanded by employers. Employers increasingly seek candidates with practical skills such as critical thinking, problem-solving, communication, and teamwork.

Proficient readers can comprehend, apply reasoning, and apply it to real work situations. Emily Hanford, education researcher and reporter suggest that simply spending more money on education is not the solution to the reading problem.

She explains that despite schools thinking they are teaching students to read, a big body of scientific research about reading and how students learn to do it shows that important skills that all kids need to learn to become good readers are not being taught.

We also need more human interaction... and fewer computers and smart devices!

New entrants to the workforce lack interpersonal skills to reason, disagree, or find consensus with their professional colleagues. As employers, it is exhausting having to constantly repeat instructions.

Entrants to the job market today also are over reliant on computers to solve basic problems. These workers often are incapable of reasoning through a problem without significant assistance and constant coaching.

Artificial intelligence, AI, only exacerbates this problem. Without critical thinking skills, how will these new workers know what they read online is credible?

It won't be easy. A local college recently reported it was evaluating software that would identify AI generated papers. They received ten false positives.

The job market has evolved significantly over the past two decades. Technological advancements and globalization have led to the emergence of new industries.

I can appreciate how this rapid pace of change has made it challenging for educational systems to keep up and adequately prepare students for the evolving demands of the workforce.

But let's focus on the basics. Help our students develop practical skills such as critical thinking, problem-solving, communication, and teamwork.

And let's recognize more money isn't always the best answer.

Thank you.