

FROM THE PRESIDENT

April 2016

Ready, fire, aim!

When I was a teenager I played on a softball team whose characteristics might best be described as enthusiastic but not holistically talented. In my small town all were welcomed at tryouts and were divvied up amongst the teams with varying degrees of success. My team, never at the top of any winner's bracket, was sponsored by Ken's Pizza and coached by willing mothers who wanted their daughters to have opportunities to play. For me, the "real" practice was conducted by my dad when I got home, where he covered all the basics with me from batting to pitching. Invariably when my results were less than favorable, Dad would ask me why and I would have to admit, "I took my eye off the ball."



Tracey Osborne, CCE Chamber President @traceylosborne

Perhaps he knew those backyard drills would be applicable to my life for far more than my brief softball career. **Keep your eye on the ball.**

What are we trying to achieve? Whether it's consistency in the strike zone, launch of a new service or something as monumental as creation of new jobs in Kansas, we first have to identify what our goal is, then identify the steps required to achieve it, and not take our eyes off the target. What this doesn't mean is to repeat your same processes and philosophy, without examination of your approach if you're not meeting your goals. I recall many evenings practicing with Dad, believing my eyes were on the ball, my form correct, but amazingly, the ball was not going where I intended. Clearly, adjustments had to be made.

Adjustments must be made in Kansas. Currently our Legislature is on break, but at the end of the month they'll head back for Veto Session where big decisions still loom. Prior to the break, your Chamber advocated for corrective course on a number of issues where we believe Kansas must adjust our course. The ball, our ultimate goal? A business climate and quality of life that is conducive to job growth and workforce strength.

We joined others in opposing the property tax lid passed in the 2015 Legislative Session without hearings because it is counter to our local form of government and stifles our ability to provide public safety, infrastructure and services to our growing population here. Now we have opportunity to make this bad policy a little more palatable. We also joined a number of businesses and organizations across the state – yes LLCs and sub S corps – who asked our legislators to reinstate the pass-through income taxes removed in 2012 because of the detrimental across-the-board impacts to our state to pre-K-12 education, higher education, transportation and social services.

In Area Development Magazine's Q1 2016 issue, the results of its 30th Annual Corporate Survey is yet another indication that the Kansas-laser focus on lowering income tax is misdirected. The 2015 respondents selected availability of skilled labor as their number-one concern in site selection. A highly skilled workforce with a strong work ethic has been our top economic development tool in Johnson County for decades, but the state revenue challenges of recent years threaten our ability to continue to excel as a region and state in educating our students and current workforce for jobs of the future. In fact, Area Development reported, "Half the respondents also say workers are lacking the critical STEM skills." Instead of following national trends, in Kansas we should be figuring out how to compete and win. By the way, availability of skilled labor jumped from 5th to the most important concern in site selection from 2014 to 2015.

The second factor was highway accessibility, which certainly is a concern to us at the Chamber given the number of "sweeps" made from the Kansas Department of Transportation to shore up the State's sagging General Fund over the last few years. At the end of March, KDOT had to postpone letting 14 projects due to lack of funds. Not good news for an economy built upon efficient transport of people and just-in-time delivery of goods.

Number #3? Quality of life, which includes housing availability and costs, healthcare facilities, ratings of public schools, cultural and recreational opportunities and higher education. Why rated so high? According to the magazine, there is more emphasis today on work-life balance, especially by millennials.

What about the Kansas emphasis on low taxes? Corporate tax rate comes in at #7, so while a factor, it's not the decision driver. So let's keep our eye on the ball and make sure we can deliver everything businesses need to succeed, instead of just one thing which makes us miss the strike zone entirely.