

**Statement of Alejandro Mendoza on behalf of Optimax Systems, Finger Lakes, New York
Senate Committee on Health, Education, Labor and Pensions
“COVID-19 Recovery: Supporting Workers and Modernizing the Workforce Through Quality
Education, Training, and Employment Opportunities”
April 20, 2021**

Chairwoman Murray, Ranking Member Burr, and distinguished members of the committee, thank you for convening today’s hearing on “COVID-19 Recovery: Supporting Workers and Modernizing the Workforce Through Quality Education, Training, and Employment Opportunities.”

My name is Alejandro Mendoza and I am the Director of Human Resources of Optimax Systems Inc,¹ a precision optics manufacturer, located in Ontario, New York. It is an honor for me to be here today to testify before the committee and to share my experience as a private sector employer, committed to expanding opportunities for workers to access good jobs at Optimax and in Rochester, NY. I have over 14 years of day-to-day experience with staffing and workforce development in an advanced manufacturing environment. In addition to my role at Optimax, I serve the local community as a member of the Finger Lakes Advanced Manufacturing Enterprise (FAME), the Finger Lakes Community College foundation board and the Greater Rochester Chamber of Commerce HR Executive forum while regionally, I’m a member of the NY state workforce strategy group – Invest in skills NY² coalition and nationally, I serve as a board member of the National Fund for Workforce Solutions³ and partner with the National Skills Coalition⁴ and Business Leaders United,⁵ including a member of their Manufacturing Industry Recovery Panel.

Optimax was founded in 1991 and has grown to become America’s largest precision optics manufacturer. That means we manufacture lenses to customer-supplied specifications for research and industry. For example, we have supplied NASA with high-quality imaging lenses designed for position sensing, mapping landforms and optical analysis including lenses for the Mars Rovers and the International Space Station.

We have approximately 400 employees, including hundreds of skilled technicians. Each of these technicians is really an artisan, who will eventually learn all the skills required to produce a precision lens – each lens is unique, as is the process to create it, from start to finish. Workers need to have basic math and computer skills – to manufacture the lenses using computer-controlled machinery and metrology instruments however, they also must be able to work within teams. Once we bring on a technician, they’ll generally access our formal on-the-job

¹ <https://www.optimaxsi.com/>

² <https://www.investinskillsny.org/>

³ <https://nationalfund.org/>

⁴ <https://www.nationalskillscoalition.org/>

⁵ <https://www.businessleadersunited.org/>

learning process that requires both on-the-job and class room training which focuses on both technical and interpersonal development.

We have a three-pillar strategy for growing our company and enhancing the skills of our workers – we invest in emerging technology to meet production needs, we invest in workers to ensure they're well prepared with the needed skills and we share our wealth with our employees. Our goal is to create a profitable company that provides good jobs and career opportunities for our employees and prosperity for our region.

Across our workforce, employees have access to tuition assistance, 401(k) retirement savings, company matched HSA, medical/dental insurance, significant personal time-off and short and long-term disability insurance. We also share, monthly, \$0.25 of each profit dollar with employees which over the last year averaged out to \$7000 annually per employee. Since the COVID-19 crisis, we have enhanced our communication efforts to ensure we stay connected with both on-site and remote employees. This has included video messaging, online discussion platforms, a comprehensive wellness effort to address Emotional, Financial, Physical and Social wellbeing and multiple employee taskforces that included custom CDC compliant facemask sewing for each employee and rapid response disinfection teams across all shifts of our operations.

On average, Our Technicians earn a base pay of \$21.00/hr and receive an additional pay increase of 10% when they work B-shift and 15% when they work the C-shift (Overnights). Optimax's operates on a 24/7 basis.

Optimax Commitment to Workforce Development

Even with this commitment to investing in employees, we struggle to find workers necessary to run the business and to fulfill customer orders, and we know we're not alone. According to analysis from 2019, in New York, a plurality of jobs (49%) require skills training beyond a high school, but not a four-year degree. But too few of New York's workers — just 37% — have had access to the skills training necessary to fill these in-demand careers.⁶ And the current crisis has only exacerbated this challenge.

Over the past year, our business demand has continued to grow, but we have only been able to hire 13 employees, compared to our need of 30-40. Some of the challenges we are facing are because workers lack access to developing necessary skills and some are challenges outside of skillsets. Just this week, one of our technicians came to me frustrated that he did not see a path forward in his role due to low computer literacy. Last month, we tried to hire two candidates from downtown Rochester, about a thirty-minute drive away, and neither of them had a way to get out to our plant due to the lack of a bus route.

⁶ <https://www.nationalskillscoalition.org/wp-content/uploads/2020/12/NY-Skills-Mismatch-Fact-Sheet-2020.pdf>

At Optimax, our mission is focused on enabling customer success and employee prosperity. Part of how we achieve both of these – and address the challenges I described above – is by engaging in workforce strategies to recruit, train and retain our workers.

The two strategies in which we invest the most time and energy fit into two key categories: collaboration with other companies, community and technical colleges, the public workforce system and K-12 system through industry or sector partnerships and extensive in-house and classroom training for incumbent workers.

Engagement in Industry Partnerships – working with partners to scale best practices across our community

Optimax President, Mike Mandina, founded the Finger Lakes Advanced Manufacturing Enterprise,⁷ or FAME, a partnership of 54 business, community and technical college and workforce partners. FAME has three key priorities: to collaborate with local colleges and workforce development programs, to build a regional pipeline of qualified advanced manufacturing technicians, and to create awareness of employment opportunities among people in the community.

FAME – and our participation in it – has been critical to our success as a company and our success as a community. With our partners, we have shared best practices to recruiting and training skilled workers, worked to direct curriculum development at community colleges, engaged students in facility tours and established internship and job shadow opportunities. We have conducted outreach in the community, sponsored and hosted network events and created educational tools and information to support the advanced manufacturing sector.

We also have leveraged relationships with FAME partners to grow a high school recruiting strategy that provides career exploration to interested students. We make presentations at area high schools and offer a path to an extensive job shadow, and potential paid internship. This began with three schools, yielding six interns, and grew to presentations in 21 schools prior to the pandemic. In 2019, we hosted 20 students for three-day job shadows, and had 13 paid interns, several of whom are now full-time employees. In 2018 and 2019 we also began to include other like-minded employers in our school presentations, and they have offered similar programs at their companies. To deal with the pandemic, we created a virtual tour presentation and have been sharing with a wider range of school districts to continue our momentum and efforts. We are beginning to have job shadows again and hope to offer 10 or 12 internships this summer.

⁷ <https://www.nyfame.org/>

Even with Mike's dedication and the dedication of other business leaders in the area, we could not have started or sustained FAME without public investment. No one company can do it alone. FAME was founded with funding from the state's Workforce Innovation and Opportunity Act dollars and has been sustained through both contributions from member businesses and continued public investment by several other federal and state grant opportunities.

Fostering upskilling through continuous on-the-job and classroom learning for existing workers

To support a worker's healthy career, we prioritize opportunities for workers to learn on the job through several, structured, incumbent worker training programs including a registered apprenticeship program, tuition supported upskilling, internal training programs and customized tutoring for technical skills development, corporate culture and leadership fundamentals.

Our registered Precision Optics Manufacturing apprenticeship program is designed to help our existing technicians meet the demands of our customers as well as advance into more senior positions. Once accepted into the program, apprentices spend three years rotating through all departments at Optimax, with a focus on the full manufacturing process, as well as materials selection, sales and quality. Each apprentice goes through a series of rotations while taking a minimum of 2 formal education courses a year at our local community college, Monroe Community College.

In addition to the apprenticeship program, Optimax provides our workforce with, on average, 1,000 hours of training each month. Workers are also eligible for tuition reimbursement for courses at our local community and technical colleges. During any semester, we generally have 15-20 employees enrolled in courses in our region.

One of our apprentices, Genny Kingsley, joined Optimax in 2019, after trying a variety of jobs after high school. She worked in food service, retail, and then loaded packages for a railroad. From word of mouth, she heard about Optimax and started on B-shift, polishing and manufacturing lenses. In the past year, she enrolled in our apprenticeship program and has evolved technically and financially as an outcome. She has said in the past that one of the best things about her career at Optimax is that you don't need a degree to get started as you can access all the skills in on-the-job learning. And we agree – ensuring workers like Genny have access to on-the-job learning, like apprenticeship, is one of our key retention strategies.

How Congress can support companies like Optimax

Optimax Systems is committed to investing in our workers and our community and passionate about workforce development. Even with that commitment, we rely on public policy and public investments to meet our needs and the needs of our community. There are a few key things Congress could do to better support the needs of businesses like ours.

First, ensuring public support for partnerships that bring together small and mid-size companies, like Optimax and our partners at FAME, and community and technical college and the public workforce system would make a huge impact in our community. The Workforce Innovation and Opportunity Act (WIOA) currently supports these industry or sector partnerships but provides no dedicated resources to empower states and local areas to invest in this strategy. For Optimax, dedicated resources to support industry partnerships – through WIOA reauthorization, National Apprenticeship Act reauthorization and any response or recovery to the current crisis is critical to our ability to support the infrastructure we already have established.

Next, advanced manufacturing businesses like Optimax need you to invest aggressively and effectively in the skills that industries demand and workers need to be competitive in a global marketplace. According to polling in spring of 2020,⁸ 82% of voters wanted to see public investments in skills training in response to the crisis and 81% wanted to see investments over the long-term. Right now, the U.S. invests less in workforce and active labor market policies than every other industrialized nation except for Mexico and we would need to invest \$80 billion more annually just to reach the median of other industrialized countries.⁹ Companies like Optimax are making the investment in our workers, and we can best leverage and scale investments like ours when matched with robust public investment. To be the most effective to Optimax, these investments would also support costs of providing incumbent worker training and of helping our workers develop digital skills.

Optimax supports extensive training for our incumbent workers, and with public investments in these strategies we could better support shifts – like those we saw during the Covid pandemic or those required to address technological changes in our workplace – that means our workers need different skills.

Finally, better aligning postsecondary policy with industry demand and worker need would revolutionize our capacity to upskill and reskill our workers. If Congress expanded financial aid to anyone seeking skills training, students in high-quality, short-term training programs, not just those seeking traditional college degrees, Optimax could offer career progression for even more workers than we do today.

Thank you for your time and dedication to ensuring the strength of America's workforce.

⁸ <https://www.nationalskillscoalition.org/wp-content/uploads/2020/09/09-2020-NSC-Skills-for-an-Inclusive-Economic-Recovery.pdf>

⁹ <https://www.americasworkforce.org/latest-action-list/2019/9/19/investing-in-americas-workforce-a-national-imperative-for-the-21st-century>