

# Philadelphia Aims to Reverse Brain Drain

Matching College Graduates With Businesses Is One Tack

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PHILADELPHIA -- A group of Philadelphia's political, business and educational leaders, who are trying to boost the region's economy by keeping more college graduates in the area, should be thrilled to know that Tara Einis is staying.

It was not an easy decision for Einis, a senior at the University of Pennsylvania's Wharton School, one of the nation's top business schools. She thought about returning to her hometown of Boston but wanted to try somewhere else for her first job. The fashion and retail world of New York beckoned, but that was nixed because New York is expensive and retail salaries are low.

Then, she got the Philadelphia offer: an executive training position at Mothers Work, a top maternity clothing firm. Now, Einis feels as if she has hit the jackpot, with "a retail job that pays really well, that will allow me to lead the lifestyle I want to lead, in a city I know and where I have friends and that I can afford."

To stem the brain drain of young, educated workers from the region, Philadelphia is trying to woo thousands more like Einis to stay. The Knowledge Industry Partnership, a coalition of business, education and government agencies, is working to boost the educational level of the local workforce, attract more and better jobs to the region, and start lifting Philadelphia's economy out of the doldrums and into the 21st century.

The strategies to accomplish this include increasing the number of college students in the region, creating thousands more internship and job opportunities for students and, not least, selling Philadelphia as a place to live and work. It is this last component that may be more difficult than it seems.

Just last week, Travel + Leisure magazine and AOL Travel zapped Philadelphia as the least attractive, least stylish and with some of the least friendly people out of 25 cities surveyed. That came after the city was slammed as last among the 10 worst cities in which to do business by Inc. magazine and by the city-comparing Web site Sperling's BestPlaces as 60th out of 80 cities for dating.

If that's not enough, Philly's already poor self-image took another beating when the MTV reality show "The Real World" -- a big hit among just those teenagers and young adults the city's boosters are trying to attract -- abruptly pulled out of Philadelphia just before filming was to start on the show's 14th season. It turns out the show's producers had hired nonunion workers to renovate the building where seven young adults would be living, and it did not take long before union members started picketing the building in the city's historic Old City neighborhood.

"Philadelphia hasn't historically been a place that young people want to stay and work, and that's something we had hoped 'The Real World' would have an impact on improving," said Sharon Pinkenson, executive director of the Greater Philadelphia Film Office.

After some intensive wooing by city officials, the show decided to stay, after all. But the flap only tarnished again the very reputation the city was trying to burnish.

What Philadelphia needs is "a concentration of educated young people to build our economy around, as we head toward this knowledge-based global economy," said David B. Thornburgh, executive director of the Pennsylvania Economy League. In a report several years ago, the league found that, despite the large numbers of local college students, "the region is aging and its education attainment levels are surprisingly low." The region is lagging in employment growth, new business starts and overall economic expansion, the league said, putting the nation's fifth-largest city squarely in the ranks of second-tier knowledge centers, behind such cities as Boston, San Francisco and the Raleigh-Durham area.

Only 18 percent of Philadelphia's adults have college degrees, ranking it 92nd out of 100 large cities, according to a recent report by the Brookings Institution Center on Urban and Metropolitan Policy. In Seattle, the city with the highest concentration of educated adults, 47 percent have college degrees, as do 39 percent of adults in the District.

Moreover, the Philadelphia area lost almost 30,000 young, single, college-educated adults -- the very people it is trying to attract -- between 1995 and 2000, according to recent census data. Of the 20 largest metropolitan areas, only Cleveland and Detroit also experienced a decline among this group. And, although the region is home to more than 213,000 college students, that is 50,000 fewer than the number in the Washington-Baltimore area, and 100,000 fewer than the San Francisco area.

Richard A. Bendis, president of Innovation Philadelphia, which works to attract technical businesses to the region, said it is important to connect students with employers as soon as possible during the college years. To do this, the knowledge partnership is trying to create 5,000 new internships within three years, in part by helping smaller companies set up programs and by arranging internship fairs to match up employers and students.

Roseanne Capaccio is one of the effort's success stories. She interned at the Pennsylvania Ballet while a student at La Salle University, and was offered a job as marketing and public relations coordinator after graduating in 2001. "I don't think I would have gotten the job without the internship," said Capaccio, a Philadelphia native who said she was happy she could stay in the area.

For some graduates, no amount of coaxing will get them to stay in Philadelphia. Last year, 26 percent of Wharton's M.B.A. graduates moved to New York, the hub of the financial services and investment banking worlds, said Peter Degnan, director of Wharton's M.B.A. career management office. At Moore College of Art & Design, 36

percent of last year's graduates left the region and many went to New York to work in the fashion industry, said Phyllis Mufson, career center director.

Jobs may be first on the list, but an appealing social life is a close second for many graduates considering where to live, said Jon Herrmann, general manager of Campus Philly, which operates a Web site listing entertainment and social activities geared to young adults. The goal is to draw students away from campus fraternity parties and beer kegs and get them to know Philadelphia as place to work and play.

That may be a tough sell, particularly for students on suburban campuses, where a lack of convenient transportation makes it difficult to lure them into Center City. Gita Gupte, 21, a Villanova University senior, is not impressed by Philly's charms and decided to take a job at a New York accounting firm after graduation this spring. "I don't think the two cities compare," Gupte said. "There's not as many young people or as many things to do" in Philadelphia.

Thornburgh, of the economy league, said while out-of-town focus groups found the city "suffered from a relatively undifferentiated image," he thinks that many people, once here, are delighted with the city's affordability, recreation, culture and music scene. And he is confident "The Real World," which will start filming next month and air in the fall, will help spread the word about Philadelphia. "My guess is we're going to come off well," he said.