

## POLICY WATCH – February 2017

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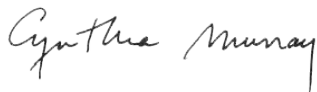


February has been a month that made us think a lot about leadership. In this issue, we look at where we are seeing some leadership fails and what might be done to grow leaders and improve leadership skills. Leadership no longer works well under the “command and control” model. The 21<sup>st</sup> Century is a time for leaders to be influencers, collaborators and futurists. Please check out the articles that take a deeper dive on what we need to do to lead in these volatile times.

After the nightmare of Highway 37 being closed for much of the past two months, we want to praise the work of NBLC board member, Ghilotti Construction Co., who worked full throttle to get the emergency repairs and improvements made to floodproof that section of the highway. It is times like these where we realize how important local companies, who do tremendously demanding jobs, are to our region. Thank you also to our elected leaders who pushed for the emergency funding and to Caltrans who oversaw the project. That’s the kind of teamwork we need and greatly appreciate!

We are pleased to share an ad that the Marin Community Foundation prepared that expresses NBLC’s sentiments as well on the importance of welcoming new people and new ideas. Well done MCF!

Best,



Cynthia



## California Rising

We live on coasts and forests, deserts and mountains. In cities and suburbs.

We are farmers and teachers. Scientists and schoolkids.

We come from Germany, Mexico, Vietnam, Kenya and beyond.

We are Californians.

We believe in the potential of every child in our state. Every single one.

We know that immigrants make us stronger, not weaker.

We believe in the power of art to inspire.

And the power of nature to awe.

We believe free speech connects us, not divides us.

We have become what we are by welcoming new people and new ideas.

This will never change.

We are Californians.

Wir sind Kalifornier.

Somos Californianos.

Chúng tôi là cư dân California.

Sisi ni Californians.

And never prouder to say so.



'California Rising', created by San Francisco artist Eric Revertzer,  
is available at 3 Fish Studios in San Francisco, and at [3fishstudios.com](http://3fishstudios.com)

## A Fish Rots From the Head First

There is an old saying “A fish rots from the head first.” This saying seems to have been the theme of the month of February. We have seen leadership fails across the board from the Presidential level, to the state level to the local level. There are many reasons for these failures. One is the changing kind of leadership needed to solve today’s problems. The old command and control model no longer works. Leaders need to be influencers, not commanders. Leaders need to create more leaders, not followers. Please see the article below that discusses new leadership skills that are needed for today’s world.



Another reason for leadership fails is the kind of problems that need to be solved. No longer can just one lever be pulled to fix an issue. Today’s problems are integrated and entwined. Solutions must also be integrated and cross disciplines. And no one agency, group or entity can do it alone. We need to work collectively to make improvements to our economy, infrastructure, environment and communities.

Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, ([Link](#)), puts it well: “We must never forget that we live in an interdependent world. The scale and scope of our challenges require the commitment and comprehensive cooperation of all stakeholders of global society. Not only do we have to manage globalization to ensure that it is open and fair, but we must also join forces to combat the global risks – such as nuclear proliferation, terrorism and the depletion of natural resources – that could end modern civilization. If we recognize that we are all part of a global community, then we have to overcome our prejudices and work together in a practical fashion while genuinely respecting each other’s identity and dignity.”

Schwab continues, “For this reason, leaders have to create and engage in agile and informal cooperation platforms required for the political, economic, social and technological context of the 21st century. Leadership always comprises stewardship for the world as a whole – holistically taking care of humankind and nature. We are living in a world no longer driven by linear change, but rather exponential change occurring simultaneously in all fields.”

He says, “This is creating extreme volatility, uncertainty and, as a consequence, an understandable nostalgia to ‘turn back the clock.’ The traditionally slow and reactive response mechanisms and structures for dealing with problems have contributed to the present situation. Our energies are primarily absorbed by crisis management.”

Schwab calls for more responsive and responsible leadership. “Historians will look back at this time as the tipping point in choosing the positive path for building a better future. For this to happen, we must overcome the present mood of divisiveness and negativism. The world is fundamentally transforming technologically, economically, socially and politically. The ongoing



transformation needs to be shaped by appropriate policies and institutions. There are no simple, ready-made solutions. What we urgently need are pragmatic and future-oriented actions, even in the form of small steps, to provide positive narratives.”

## How to Stem the Educational Systems from Failing to Prepare Students for Jobs of the Future

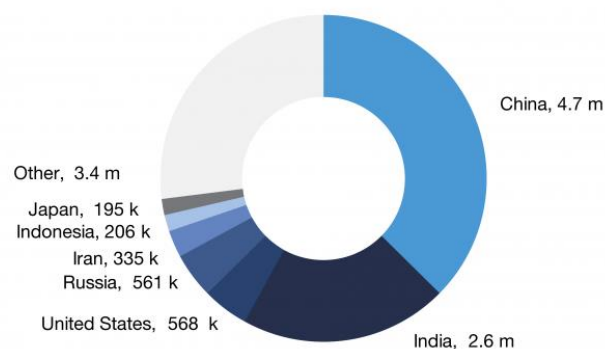
In Education systems are failing our kids, so how can we prepare them for the jobs of the future? (World Economic Forum, January 4, 2017 [Link](#)) author Andrea Willige writes, “The world’s education systems are failing our children by not preparing them for the workplace of the future. This is the key finding of a new report by the World Economic Forum, Realizing Human Potential in the Fourth Industrial Revolution, which puts forward a series of practical measures for aligning education and training with future job requirements.

Willige says, “Technology and globalization continue to reshape business models across all sectors and geographies, creating new types of jobs and disposing of old ones at great pace. However, monolithic, underfunded education and training systems around the world have fallen short of responding to this trend. This means that by the time they leave education, as many as two-thirds of children entering primary school today will not have the skills required to get a job. The impact will be worse for women who already have less than two-thirds of the economic opportunity that men have.”

Here is what the report recommends needs to be done to prepare our children for jobs of the future:



### Where are the world’s recent STEM\* graduates?



\* Science, Technology, Engineering and Mathematics  
Source: Human Capital Report 2016, World Economic Forum

1. Focus on the early years: Reinventing education starts in early childhood, where the focus should be on literacy and reading. Adequate childcare provision for working parents will be critical in both developed and developing economies.
2. Keeping it dynamic: Training curricula must be aligned with market demand for skills – both job-specific and generic, such as problem-solving and project management. The challenge will be to keep these curricula dynamic and responsive to evolving business needs. In Finland, one of the world's top-performing nations in education, the curriculum is updated regularly to provide an overall framework, with room for local adaptation by the schools themselves.
3. Open-sourcing education: The report advocates adopting training innovations more quickly, opening up to alternative learning routes (such as Hackathons) and allowing for experimentation with new techniques. For example, the New York City Department of Education has created "Lab" schools and tasked them with reinventing teaching and learning. In Ghana, the US and France, schools are pioneering short courses in coding based on peer-to-peer teaching, project-based learning and gamification.
4. Taking teachers out of the ivory tower: To bring education and business closer together, the report recommends initiatives such as teacher "externships" in businesses, workplace mentoring and involving the private sector in teacher training.
5. Giving students a sense of the real world of work: Similarly, students should experience the world of work from early on – for example through internships and ongoing career coaching – to help them see a variety of career options and the skills required.
6. Addressing the vocational stigma: Vocational and technical education is critical to the world economy but has been neglected and often looked down on as second best. The World Economic Forum advocates promoting vocational and technical career paths more proactively and raising the quality of vocational training on offer. For example, Germany's vocational training system sees apprentices divide their days between classroom instruction and on-the-job training at a company. Apprentices are paid and their training typically extends to between two and three years. Not only does this approach create an excellent talent pool, it also smooths the – often difficult – transition from education to the world of work.

## **Lack of Action on Transportation One of the Biggest Leadership Fails**

2017 is supposed to be the year that the Legislature gets it act together and passes a transportation bill. SB1 (Beall) and its companion (AB 1 (Frazier) didn't get anywhere last year. This year, the Governor and Pro Tem De Leon and Speaker Rendon have all called for a bill to be passed by April. The good news is that SB1 made it through two of three senate committee hearings, but what happens next is less assured. The one thing that all can agree on is the urgency



to find a transportation fix as the crumbling of our state infrastructure grows with each storm this winter. Storm damage alone has racked up almost \$600 million of needed repairs.

Beyond that, state and local roads have a maintenance backlog of \$130 billion and California motorists are spending more than \$700 annually on car repairs due to pothole-filled roads. This backlog is divided between \$59 billion for state highways and \$73 billion for local streets, roads, and bridges. Without additional funding, this shortfall is projected to grow by \$20 billion in the next decade.

AB 1 and SB 1 would raise revenue over a variety of sources:

- A 12 cent increase to the gas tax (SB 1 would phase this increase in over three years);
- Ending the Board of Equalization's "true up" process on the unreliable price based excise tax on gas;
- A \$38 increase to the vehicle registration fee;
- A \$100 vehicle registration fee on zero emission vehicles;
- A 20 cent increase to the diesel excise tax;
- \$300 million from existing Cap-and-Trade funds; and
- \$500 million in vehicle weight fees phased in over five years.

You would think the legislature would be ready to pass the bills and the public would be clamoring for them to do so. But there are roadblocks at every turn to getting these bills passed and we have seen for years that there is insufficient leadership to clear those roadblocks. The opposition heard at a hearing came from a broad range of sources: Republicans opposed to any tax; Democrats concerned about funding more transit or not enough fees on electric vehicle; and a coalition of more than eighty groups, including the California Bicycle Coalition, Safe Routes to Schools, California Walks, Climate Plan, the Coalition for Clean Air, the Sierra Club, and Leadership Counsel for Justice & Accountability with a long list of demands all over the board.

With that kind of opposition, it will take extraordinary leadership for California to get a transportation bill passed by April. Or anytime in the near future. Here's hoping that the reality of letting our roads deteriorate further brings people to the table and the bill can finally be passed.

## **Sacred Cows Make the Best Burgers**

In [How Leaders Dream Boldly to Bring New Futures to Life](#), by Lisa Kay Solomon (Singularity Hub, February 23, 2017 [Link](#)), the author explores the skills leaders must learn to make the most of rapid change in an increasingly disruptive world. She broadly outlines four critical leadership skills futurist, technologist, innovator, and humanitarian and how they work together.

Solomon says, “Science fiction writer William Gibson famously once said, ‘The future is already here, it’s just unevenly distributed.’ As leaders, how do we embrace the elements of the future that are here, and the ones that are just around the corner? By thinking more like a futurist.”

Solomon says, “The first step is identifying the most important and uncertain macro forces shaping your business. These can usually be divided into five broad categories: social, technological, economic, environmental and political. (Tip: Recall these with the acronym STEEP.)”

An example would be as follows: “An insurance company might track variables related to the extension of human life (social), technologies disrupting treatment of chronic health conditions (technology), the rate of change from traditional employer-driven work arrangements to more independent “gig” jobs (economic), the frequency and impact of natural disasters (environmental), and the government’s stance toward regulation and potential new laws (political).”

Solomon says, “Once these high-impact variables are identified and prioritized, futurists gather diverse inputs to establish a range of how the variables are likely to play out over time. The further ahead they go, the wider the range of possibilities.”

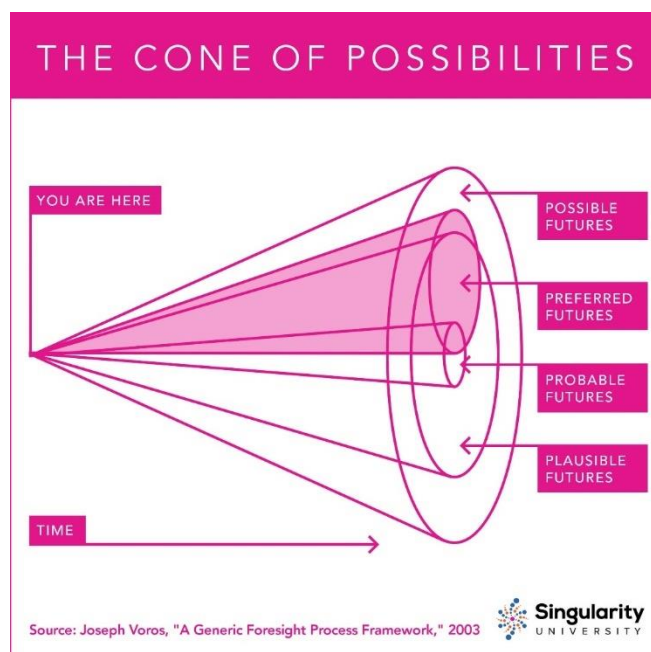
“Futurists call this the cone of possibilities and carefully organize their forecasts into four buckets,” says Solomon.

**What are *possible* futures?** This is the full range of events that could unfold.

**What are *plausible* futures?** This is what we believe is possible but unlikely.

**What are *probable* futures?** This is what’s most likely to happen.

**What are *preferred* futures?** This is what we want to happen.



Solomon says, “This can be an enlightening strategic exercise for leaders: Is your organization overemphasizing its preferred future and neglecting the full range of possible futures? If so, perhaps there isn’t enough hedging of investments. Does your organization default to the plausible future? Consider broadening the view by investigating new technologies, adjacent industries and early startups to inform alternative strategic options.”

Paul Saffo, Singularity University’s Chair of Futures Studies and Foresight, repeatedly warns us that “sacred cows make the best burgers.” Using the cone of possibilities allows you to identify and move beyond your organization’s “sacred cows.”

Solomon says, “Once you’ve identified your preferred future, you can start to identify key activities and milestones that would help create that future.” Try using this technique, she says, “Backcasting is the act of imagining a preferred future and then stepping backward toward the present, repeatedly probing what has to happen to enable each step.”

Getting comfortable with ambiguity and strengthening your cognitive flexibility are important skills to develop. Solomon says, “One of the most challenging aspects of practicing the skills of a futurist is getting comfortable with the reality that we simply cannot predict the future. For many senior leaders, this is deeply unsettling. How can we possibly make big bets on the future without all the facts and data? Most of us are uncomfortable with ambiguity and uncertainty. Boldly looking ahead elicits doubt, fear, and anxiety — emotions we’d rather hold in check. We can learn to overcome our discomfort with the unknown, and even begin to revel in it, by continuously pushing ourselves to learn new things and seek out new experiences and people.”

Solomon concludes, “We are all capable of becoming better futurists. In doing so, we not only architect hope of new possibilities, we also build more flexible, adaptive and resilient organizations in the process.”

## Members in the News

### **SOMO Village, Rohnert Park, is sponsoring the 2nd Annual North Bay Make-A-Thon**

On Saturday, March 4<sup>th</sup> from 6:00 AM- 8:00 PM at SoCo Nexus site. They expect to have a terrific turnout of students from a variety of departments at SRJC and SSU as well as student teams from many Sonoma County high schools. They will form teams of hackers, artists, makers, tinkerers, coders, engineers, designers and more to compete and create things. The winning team will get \$3,000 total cash prizes. Employers should attend for it is a great way to find new talent! Also, if you are interested in volunteering at the event, please sign up at [Link](#).

### **College of Marin Partners With the SBDC to Present a Series of Workshops For Businesses and Entrepreneurs**

Two workshops in March: E-Commerce – Create an Online Store, March 7<sup>th</sup>; and Business Funding for You, March 15<sup>th</sup>; both workshops start at 6:00 PM. Due to the generosity of College of Marin, these workshops are only \$25 each! Sign up at: [Link](#)

### **Sonoma State University named ‘Hispanic-serving institution’**

Sonoma State University announced that it has been deemed eligible by the U.S. Department of Education to compete for millions of dollars in federal grants aimed at improving student success as a federally designated "Hispanic-serving institution."



### **Midstate Construction Completes Golden Oaks Manor**

Owner EAH Housing and general contractor Midstate Construction Corporation recently completed renovation of Golden Oak Manor in Oakley, CA.

### **KRCB FCC Auction**

KRCB will receive \$71,979,802 from the recently held FCC Spectrum Auction, funded by the wireless industry, which was designed to reassign valuable UHF frequency for future use by the wireless telecom industry.

### **Basin Street Properties Buys Seven Santa Rosa Buildings**

Basin Street Properties has made a big expansion to its holdings of commercial property in Sonoma and Marin counties, buying seven Santa Rosa office buildings from a real estate investor and developer known for some of the area's more prominent buildings.

### **American AgCredit's Terry Lindley Retires after 40-Year Career**

Terry Lindley, the chief marketing officer and senior vice president of American AgCredit, is retiring after 40 years with the Santa Rosa-based agricultural lender.

### **Ghilotti Construction Company has been instrumental in the construction of Oma Village in Novato**

Oma Village in Novato is a new 14-unit apartment building on Nave Drive in Novato, \$6 million and five years in the making.

### **Keysight Technologies buying Ixia for \$1.6B**

Santa Rosa-based Keysight Technologies on Monday reported it will acquire Ixia, a California technology company, in a deal valued at \$1.6 billion.

**Read more online at** [www.northbayleadership.org/news](http://www.northbayleadership.org/news)



### **Who We Are**

Over twenty five years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 50 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call

707.283.0028 / E-mail [info@northbayleadership.org](mailto:info@northbayleadership.org)

[www.northbayleadership.org](http://www.northbayleadership.org)