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We hope this issue opens new insights into another way that the American economy is changing. The share economy is growing, born out of innovation and necessity. It merges how people are creatively sharing their assets to help increase revenue as the economy slowly recovers, but also being “greener” by not consuming more than they need, and finding that sharing is a great way to build a new network of friends and sense of community.

Don't miss our Economic Insight Conference on May 30 where we tackle the growing problems with a talent shortage and skills mismatch in the North Bay. North Bay employers are facing challenges filling jobs – we need to ensure that we have a talent pipeline in place ready to work. This will be a sell-out conference so get your tickets today!

We also hope that you will help local students by offering internships, one of the key ways the students can explore careers and gain real world experience that makes them more employable. And there are lots of benefits to the employers, too!

Best,

Cynthia

The Share Economy -- How Peer-to-Peer Sharing is Adding \$3.5 Billion to the Economy



<http://useradvocate.nl/the-rise-of-the-sharing-economy/>

We have all heard about how to make our assets work for us, but the share economy takes that to a new level. The basis of the share economy is peer-to-peer sharing of goods, services, and more. Instead of a consumer purchasing a new car or staying in a hotel, he uses “sharing” apps that link him up with other people who have unused or underused items that they will “loan” the consumer for a fee or trade. As Tomio Geron,

in “Airbnb and the Unstoppable Rise of the Share Economy (Forbes, January 23, 2013),” writes “The

share economy blows up the industrial model of companies owning and people consuming, and allows everyone to be both consumer and producer, along with the potential for cash that the latter provides.”

The impact of the growing share economy is seen as one of the creative destructions of the 21st century economy. While sharing replaces some existing businesses, it also is creating new ones. Forbes “estimates the revenue flowing through the share economy directly into people’s wallets will surpass

\$3.5 billion this year, with growth exceeding 25%. At that rate, peer-to-peer sharing is moving from an income boost in a stagnant wage market into a disruptive economic force.”

One of the famous share economy success stories, Airbnb found that its service had a spillover effect on San Francisco. Geron states, “Because an Airbnb rental tends to be cheaper than a hotel, people stay longer and spent \$1,100 in the city, compared with \$840 for hotel guests; 14% of their customers said they would not have visited the city at all without Airbnb.” Multiply this return for other cities around the world, and you see real power to impact local economies and individual’s pocketbooks. Forbes says that Airbnb’s guest night bookings were between \$12–\$15 million last year producing revenue of \$150 million.



The positive effect the share economy has had on individuals is remarkable. People are putting their entrepreneurial skills to use in making money from their assets whether they are a car, apartment, tools, bicycle, camera or parking space. Geron says, “Asset owners use digital clearinghouses to capitalize the unused capacity of things they already have, and consumers rent from their peers rather than rent or buy from a company.” Over 100 companies have started up related to the share economy. And now major corporations are jumping on the band wagon including Avis, Daimler, Home Depot, and General Motors.

The interest in the share economy comes from necessity and a change in outlook. The recession pushed many people away from consumption as they saw the damage that came from living beyond your means. The recession also triggered a need to generate revenue that wasn’t employment-related, forcing people to figure out how to create revenue from their existing assets. And as Geron says, “Millennials, the ascendant economic force in America, have been culturally programmed to borrow, rent and share.” Millennials prefer to consume music, news and TV online. They like renting and the flexibility that brings.

In “The economy of sharing,” (Sunset, January 2013) the pros and cons are discussed. Some pros are the ability to build new networks of people that you share with, building trust and friendships, especially within your neighborhood. Beyond the financial and environmental benefits of sharing, come an increased sense of community and connectedness. Sharing can be fun and a more personal experience than purchasing an item from a store.

While there are stumbling blocks for the share economy, most do not feel that these are insurmountable. Better vetting of users, insurance policies, clearer contracts, online reviews, and reputation systems are all contributing to increasing user satisfaction. There are also regulatory and tax issues as the share economy becomes more popular and attracts the attention of the cities and regulatory agencies. San Francisco Mayor Ed Lee has appointed a “sharing economy working group” to help navigate issues as they arise. Millicent Johnson, a former Shareable.net staffer involved with this effort, said “The unique thing about these companies is that the users run them – and the users are citizens of the city. The end goal is to do what is best for the city.” Recognizing that new rules need to be written to catch up to this innovation is a good first step.

The share economy is a new incarnation of an old idea. People help people and use their ingenuity to get ahead. Now there are advanced tools through the internet that allow better ways to share and creative ways to make money, that also help protect the environment from waste, and strengthen communities. The share economy is being embraced in the North Bay and we can expect this entrepreneurial activity to continue to thrive in our region.



Get Your Ticket Today! Economic Insight Conference on May 30 “Ready to Work: Solving the Skills Mismatch and Talent Shortage”

NBLC’s Economic Insight Conference on May 30 will be a timely report on the growing skills mismatch and talent shortage that North Bay employers are experiencing. The conference will open with a keynote speech by Steven Aronowitz, Associate Principal, McKinsey & Company, one of the leading research firms in the world. Aronowitz will present data about the education to employment connection, recommendations on how to solve the skills mismatch, improve the talent shortage and the importance to the economy of doing both.



In addition, the conference will have two panel discussions. The first one will be a group of employers who will discuss their company’s experience and what they have been doing to attract and retain skilled employees. The panelists are:

Clare Shanahan, *AVP Talent Acquisition*, Fireman’s Fund Insurance Company
Deborah Yount, *Senior Director, Human Resources*, Medtronic, Inc.
Jon Pittman, *VP Corporate Strategy*, Autodesk, Inc.
Debra Miller, *VP Human Resources*, St. Joseph’s Health
Moderator: Craig Nelson, *CEO*, Nelson Family of Companies

The second panel will be a group of educators who will discuss what they are doing to prepare students to be career ready and how they are connecting with local employers to better understand their job requirements. The panelists are:

Jerald Miller, *Dean, Business & Professional Studies*, Santa Rosa Junior College
Nanda Schorske, *Dean of Workforce Development & College-Community Partnerships*, College of Marin
Robert Eyler, *Associate Professor & Department Chair*, Sonoma State University
Mojgan Behmand, *Associate Professor*, Dominican University
Stephen Jackson, *Director*, Sonoma County Office of Education
Moderator: Cynthia Murray, *CEO*, North Bay Leadership Council

The conference will be held at the Sheraton Hotel, Petaluma from 7:30 a.m. – 10:00 a.m. on May 30. Tickets are \$45/person or \$360.00/table. If you would like to purchase tickets, please go to www.northbayleadership.org. If you would like to be a sponsor or need more information, email info@northbayleadership.org.

Hire an Intern and Create a Better Workforce in the North Bay

Employers today seek to hire candidates with real work experience. Besides having a degree, employers want to see how candidates have applied what they have learned. Given the competition for jobs, employers expect new employees to be productive from day one. The best way for students to gain that practical experience is through internships. And internships can be suitable for high school, college and career tech students.

Internships offer benefits to both the student and the employer. For the employer, it gives them a way to assess the potential of a prospective employee, to infuse their workplace with fresh ideas and enthusiasm, to get talented people assigned to special projects that



regular staff might not have time to tackle. With reduced budgets for recruiting, using interns can also be a cost-effective recruiting strategy.



Employers need to assess if they have the ability to provide a quality internship experience. Do you have meaningful work relevant to the potential intern's major? Do you have the time to properly train and supervise an intern? Is your workplace set up to offer a welcoming and professional environment for the intern to learn real world skills? Can you afford to pay the intern or offer some other kind of compensation? If your answers are "Yes," then please read these tips on making the internships at your organization succeed:

- Offer your intern a safe, welcoming atmosphere where they will learn, increase job skills, develop personal career connections, and build their résumé in a real-world work environment.
- Interns are governed by your company standards of conduct, so take time to orient them to your policies, procedures, dress code and culture, and introduce them to managers and employees to ensure others know the intern's name and role within the organization.
- Inform the intern of their assigned work schedule, both hours and days of the week, the location of their designated work station and provide support technology (computer and phone). Outline performance standards, confidentiality, communication procedures, and decision-making channels.
- Designate and assign **one** mentoring supervisor who will assist the intern with development of career-ready skills and be available to answer questions and solve problems.
- If the internship is paid, complete hiring paperwork and inform the intern of the pay schedule. Financial compensation is determined by the employer in compliance with US Department of Labor Fair Labor Standards Act (FLSA). Most students must work to pay tuition; therefore, it is advantageous for employers to offer a wage. If an hourly wage is impractical, consider offering a stipend or scholarship to help cover tuition expense. Compensation may be in the form of reimbursement for travel to/from the internship site. Students earn and pay for academic credit. Registering and paying for academic credit is critical as it is the only way interns are covered by educational system liability insurance policy.

Patricia Schaefer, in "Should You Hire an Intern This Summer?" (Business Know-How) offers information on Virtual Internships as another possibility. She says, "Virtual internships are on the rise, where students work on specific tasks off-site and then check in with their work supervisor on a regular basis. What's typically needed of the student is a cell phone, computer and Internet access. Research, information technology, marketing, sales, and social media development are some of the more common remote tasks of virtual interns. For students, the benefits of virtual internship include saving money on commuting costs and being better able to fit work time into busy school schedules. It also opens up a vista of intern opportunities that do not rely on geographic proximity, particularly for students who live in isolated areas or have a lack of public or private transportation."



California Infrastructure Not Poised For an Economic Boom

The report card below is from the American Civil Society of Engineers on the state of California's infrastructure. Some data tied to the grades is:

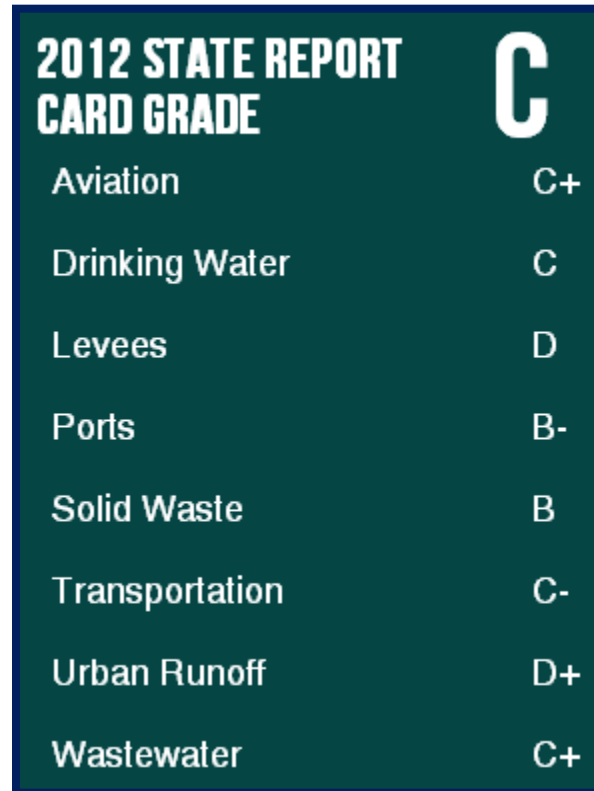
California has \$39 Billion in drinking water infrastructure needs over the next 20 years.

2,978 of the **24,812** bridges in California (**12.0%**) are considered structurally deficient.

68% of California's roads are in poor or mediocre condition.

It is estimated that California schools have **\$25.4 billion** in infrastructure funding needs.

California has reported an unmet need of **\$3.6 billion** for its parks system.



The image shows a dark green report card for California's infrastructure in 2012. At the top left, it says '2012 STATE REPORT CARD GRADE'. To the right of this is a large white letter 'C'. Below this, there is a list of infrastructure categories with their respective grades: Aviation (C+), Drinking Water (C), Levees (D), Ports (B-), Solid Waste (B), Transportation (C-), Urban Runoff (D+), and Wastewater (C+).

Category	Grade
Aviation	C+
Drinking Water	C
Levees	D
Ports	B-
Solid Waste	B
Transportation	C-
Urban Runoff	D+
Wastewater	C+

Members in News

Kaiser Permanente Tops J.D. Power Rankings in California for Sixth Consecutive Year

Kaiser Permanente is on top of the J.D. Power and Associates health plan rankings once again, heading the parade for the sixth year in a row in a study released Monday morning.

Sunny Hills Services Announces the Irene M. Hunt School of Marin

Sunny Hills Services is pleased to announce The Marin Academic Center is now the Irene M. Hunt School of Marin.

North Bay Leadership Council is a Part of North Bay iHub's Expansion

The North Bay innovation Hub (North Bay iHub) is pleased to announce the addition of new partners who have aggregated their metrics as part of a request of the Governor's Office of Business and Economic Development (GO---Biz) to further enhance California's entrepreneurial ecosystem thru the promotion of innovation as a community building and job creation tool.

Securitas Spotlight March 2013

Securitas highlights the importance of safety and teaches you how to react to an active shooter.

Nelson Makes 2013 Best of Staffing List for Client Satisfaction

Nelson announced today that it has been named to Inavero's 2013 Best of Staffing Client list of award winners.

Midstate Construction Completed the Mendocino College Library/Learning Resource Center

Owner Mendocino Lake Community College District and general contractor Midstate Construction Corporation recently completed the Library/Learning Resource Center project at the Mendocino Community College Campus in Ukiah.

Autodesk Praised at Recent TED Conference

From an environmentalist who wants to revive extinct species to a software company seeking to design molecules, Marin County is well represented at this week's TED Conference, the annual gathering of elites from the technology industry and creative fields.

Codding CEO Joins the Board of Directors of Summit State Bank

Brad Baker, president and chief executive officer of Rohnert Park-based Codding Investments, the developer of Coddingtown regional mall and Sonoma Mountain Village, joined the board of directors of Summit State Bank.

Read more online at www.northbayleadership.org/news



Who We Are

Over twenty 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 44 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

www.northbayleadership.org