

POLICY WATCH – February 2015

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Spring is in the air! There is new energy and efforts to “spring” into action around the North Bay. At NBLC, we are excited to have new members joining us in our public policy work. We are delighted to welcome California Bank and Trust and Verihealth/FalckNC as two of our newest members.

We also look forward to our North Bay Housing Summit to address the housing crisis that threatens our regional economic competitiveness and community fabric. Please save May 8th for this important discussion on how to create more workforce and affordable housing.

Another important area of NBLC’s work is improving the skills mismatch between employers and educators. Don’t miss the article on how much it is costing the economy, and you, to have unfilled positions. What’s worse, is the talent shortage is growing so these costs are rising! NBLC is partnering with Sonoma County Office of Education and others to produce the Education and Economic Summit on April 30 to do all that we can locally to better prepare our future workforce.

Hope you have a “spring” in your step, too!

Best,

Cynthia

California Bank & Trust Joins NBLC!

North Bay Leadership Council (NBLC) welcomes California Bank & Trust (CBT) to its Board of Directors. NBLC chairman, Brad Bollinger, said, “It is a pleasure to have CBT join our board because of their knowledge of business banking and commitment to building stronger communities. We appreciate their desire to grow in the North Bay and to contribute to NBLC’s work in improving the prosperity and sustainability of this region.”



CBT has been in California for over 60 years. CBT specialize in business banking. CB&T is one of the largest banks headquartered in California, with over \$11 billion in assets and nearly 100 branch offices statewide. CB&T provides a full array of financial solutions for businesses and individuals, including commercial

banking, business banking, small business lending, treasury management, international banking and wealth management.

At CB&T, community development is a top priority. The bank strives to build deep roots in the communities in which they serve as responsible leaders and active partners and citizens. The bank offers grants that help revitalize or stabilize low- and moderate-income communities that promote affordable housing, small business/micro-enterprise development and community economic development.

CB&T has won numerous awards including 12 Greenwich Excellence Awards (Greenwich Associates is a leading global financial services research and consulting firm. The bank has an “outstanding” Community Reinvestment Act rating for the past decade. They are a Preferred SBA Lender as designated by the U.S. Small Business Administration. And the U.S. EPA has designated the bank as one of the “Best Workplaces for Commuters.”

The member representative to NBLC’s board is Michael Kadel, senior vice president and business center manager for the North Bay. Kadel plans to increase the presence of CB&T in the North Bay by opening more branches and becoming more involved in North Bay programs and initiatives. Kadel said, “CBT thinks that NBLC’s priorities to improve education, economic competitiveness and transportation are well aligned with our priorities. We look forward to working collaboratively with the other members to make the North Bay economy and communities thrive.”

Kadel has worked more than 24 years in the banking industry, including positions in regional branch management, commercial and business banking, relationship management, lending, private banking, sales management and banking operations. He previously served as regional manager for Bank of Marin, where he oversaw five retail branches in the Marin area. Kadel earned a Bachelor of Science degree from Kansas State University in agricultural economics and has a master’s in executive management from Pacific Coast Banking School. He served as president of the San Rafael Chamber of Commerce and the Marin Economic Forum, and on the board of Hospice by the Bay and the California Family Health Council.

Verihealth/FalckNC Joins NBLC!



North Bay Leadership Council is pleased to announce that Verihealth/Falck Northern California is a new member of the organization. Verihealth is a wholly owned subsidiary of the Danish emergency services giant Falck, one of the largest ambulance companies in the world and third largest in the U.S. Verihealth, an ambulance and integrated health services company, was founded in 2000 by Gary Tennyson. The company’s services also include a call center and training institute for emergency medical technicians. Board Chair, Brad Bollinger, said “The addition of Verihealth/Falck adds another dimension to the health care sector in NBLC. As one of the dominant industries in the North Bay, we are excited to have Verihealth strengthening our understanding of health care needs and job growth opportunities.”

Gary Tennyson heads Verihealth and is CEO of Falck’s Northern California region. Falck’s goal is not to be the biggest, but to be the best. They believe in investing in a community and long term partnerships. Mr. Tennyson said, “Verihealth is committed to community service and appreciates the work of NBLC members on public policy areas like education, transportation and workforce housing. Our employees care about these issues and look forward to working together for a better North Bay.” Combined with

Falck Northern California's operation, Verihealth has a staff of 350 employees and a fleet of 50 ambulances.

The Falck Northern California Corporation (FalckNC) was formed in 2012 to bring together a portfolio of companies providing a range of complimentary services, including healthcare, EMS, medical transportation and patient logistics. Focusing on the greater Bay Area and Sacramento region, FalckNC will partner with public, private and non-profit customers to serve communities with high quality, technologically advanced services. FalckNC's unique combination of acquired companies and startup operations will also serve as a business incubator for new programs and services that may be replicated in other Falck served communities in North America.

Wake Up Call: Guess What the Cost of an Empty Desk Is!



In a recent press release from Indeed, a leading job site and global hiring resource, we learn that it costs the U.S. economy nearly \$160B annually due to unfilled job opportunities in the U.S. Indeed's research found that "of this amount, over half represent unearned wages (around 55%), with the remainder attributed to unearned profits. For the top 10 companies in Dow Jones Index, the combined cost of not filling open jobs for one month equals more than \$75M in monthly gross domestic product (GDP)."

The study showed that "The inability of an individual business to find and recruit the right hire for a role impacts the economy in two major ways. Failure to effectively resource a business slows both productivity and profits, relying on existing workers to cover skill shortages by working more hours under increased pressure. From a consumer perspective, the inability to earn an income or spend a salary reduces an individual's contributions to overall economic growth."

Indeed calls its findings a wake-up call to the U.S. economy. "A steadily improving U.S. labor market, characterized by increased hiring, rising business confidence and a decline in unemployment levels from the recessionary peak of 10% in October 2009 is fantastic news for the wider economy. However, for businesses trying to hire in significant numbers, these trends, combined with the lowest labor market participation numbers in decades, represent something of a 'perfect storm'."

"Other key findings from the report

- While total employment has now almost caught up to its pre-recessionary peak with over 2M jobs being created in the first nine months of 2014, labor market participation has fallen to its lowest level in decades. A large number of unfilled, open roles may well cause problems for the economy in the years ahead.
- Many businesses have to wait for significant periods of time to find the right person for the job, with 33% of openings in the U.S. remaining open for at least 3 months.
- There are a number of industry sectors in which unfilled jobs have greater impact due to the higher levels of contributed economic value, including finance, insurance, and professional services. These industries alone collectively represent over \$4B GDP (GDP, a measure of goods and services produced within an economy and the income generated by that economy) in a typical month.
- For states and industries which can achieve reductions in the time it takes businesses to fill job vacancies, there are clearly significant economic gains to be made and greater amounts of

economic potential can be unlocked by better matching the right people to the right job opportunities.

- For the wider economy, the efficient matching of potential employees to businesses through the labor market is key to supporting healthy levels of employment and household incomes, while allowing businesses to reach full productivity.”

The talent shortage is growing in the North Bay and exacerbated by the housing crisis. The ability of our region to be economically competitive depends on finding solutions to these two problems. Learn more about solutions at NBLC’s North Bay Housing Summit on May 8, and the Education and Economic Summit on April 30.

Want to Know What People Think? Check out These Poll Results



Poll One: Californians want government to help spur business growth

The Edelman trust barometer, the 15th annual survey by the world's largest public-relations firm, is intended to help companies and governments understand where the public places its trust. The informal survey reached 2,000 Californian adults by email between Jan. 24 and Feb. 2, according to Allen Young, in the Sacramento Business Journal (February 13, 2015). The national survey found that “Californians want their government to take a more active role in job creation by offering tax incentives, access to loans, workforce training and infrastructure, according to a recent survey.”

Young said, “Sixty-seven percent of respondents said they want government to take a more active role in those business-related affairs, while just 37 percent said they supported giving businesses ‘more freedom to innovate by reducing red tape and regulation.’” The California portion found that residents of the Golden State have less trust in business, government, and the media than residents nationwide. Other key findings included a conclusion that California respondents were more inclined to embrace rapid change in business than Americans generally. Fifty-one percent of respondents nationwide said they felt the pace of business development and change was too fast for them; just 33 percent of Californians shared the same concern.

Poll Two: Workers want employer input on issues

In “Workers want employer input on issues,” by Lydia Wheeler, The Hill (2/3/15), polling by the Business-Industry Political Action Committee (BIPAC) found that “employees consider their employers to be the most credible source on politics and public policy.”

BIPAC seeks to spur more civic engagement by having more businesses start talking to their employees about policy issues. Said Wheeler, “The idea is that employers talk to their employees about where they stand on certain issues, and the employees then become advocates for those issues.” This is a change from the stance that held that “businesses should not have a point of view>”

The poll found that “Employees want to hear from their employers,” said BIPAC CEO Greg Casey. Wheeler said, “In the BIPAC poll, 31 percent of respondents ranked their employers as the most credible sources on politics and public policy issues; 53 percent said company management or an employer should be active in promoting public policies that are favorable to the industry and the company’s economic success; and 63 percent said the information shared by their employers made them more likely to vote.”

“The employer should never tell their employees how to vote, but they can be very effective messengers in educating and informing them about how both politics and public policy directly affect the markets and our system of free enterprise,” the study said.

Is Your Personality Making You Late?

In “We Know Why You’re Always Late” by Sumathi Reddy, (Wall Street Journal, February 3, 2015)

new data reveals “what researchers have learned about tardiness and how you can arrive on time more.” And surprisingly, it is revealed that “people simply underestimate how long a task will take.



That’s a little-known concept called the planning fallacy, which is a strong tendency to chronically underestimate task completion. The planning fallacy is one of the most difficult behavioral patterns to change, experts say.”

Who hasn’t been driven crazy by a chronically late employee or friend? No matter what excuse is given by that person, or punishments inflicted, the behavior doesn’t change. Psychologists think they have figured out the problem. Roger Buehler, a psychology professor at Wilfrid Laurier University in Waterloo, Ontario, “estimates that people on average underestimate task-completion time by as much as 40%. His studies have found the same issues for matters as small as mailing a letter and as critical as income taxes.”

Jeff Conte, an associate psychology professor at San Diego State University, “has found that there are some personality differences that can contribute to chronic lateness. In his research, Type A individuals—those who are fast-paced, achievement-oriented and hostile at times—tend to be more punctual, he said. Type B individuals, who are more laid-back, tend to arrive later. Across three previous studies, Type A individuals estimated that a minute passed in 58 seconds, compared with 77 seconds for Type B individuals. “So if you have an 18-second gap...that difference can add up over time,” Dr. Conte said.”

So if you want things done on time, looks like the Type A personality has the edge on being able to meet deadlines!

Members in the News

Sonoma State University's Dan Condron, Citizen of the Year

Dan Condron has served as the Vice President of University Affairs for Sonoma State University since 2005.

Kaiser Permanente Plans to Buy Half of its Electricity From Renewable Sources, Slash Carbon Footprint

Kaiser Permanente, already a big user and promoter of solar power, has signed deals to obtain half of its electrical power in California beginning in 2016 from renewable sources, and is taking other steps to drastically reduce the health care system's huge carbon footprint.

A Bio Revolution

Marin’s biotech industry not only brings in billions of dollars per year, but also creates high-quality jobs and life-changing medicines and procedures.

Redwood Credit Union, Large Business of the Year

Now celebrating its 65th year of service, Redwood Credit Union (RCU) provides affordable personal and business banking and financial services to anyone living or working in the North Bay or San Francisco

Redwood Credit Union donates \$100,000 to the SAY Dream Center

Redwood Credit Union is well known in our community as a source of affordable financial services, and they're celebrating their 65th anniversary this year. In addition to serving nearly 250,000 people locally with financial services, Robin McKenzie, Senior Vice President of Marketing & Communications, explains that RCU chose to support SAY's Dream Center capital campaign because they are committed to giving back and creating a healthy community.

PG&E Proposes Major Build-Out of Electric Vehicle Charging Stations

Plan for 25,000 Chargers Will Help California Meet Clean Transportation and Climate Goals

Sunny Hills Services Helps Bay Area Foster Youth Gain Foothold in Community College

Only 3% of foster youth graduate college. Tipping Point grantees Sunny Hills Services and SF State Guardian Scholars team up to do something about it.

Midstate Construction Completes Wexford Way & Carlow Court (aka Arroyo Vista) Apartments at Emerald Vista

Midstate Construction Corporation is proud to have been a successful partner on the recently completed Wexford Way & Carlow Court Senior and Family Apartments at Emerald Vista (aka Arroyo Vista) in Dublin, CA.

PG&E CFO Kent Harvey Named Outstanding Corporate Leader of the Year by the National Gay and Lesbian Chamber of Commerce

Kent Harvey, senior vice president and chief financial officer of PG&E Corporation, was named Outstanding Corporate Leader of the Year by the National Gay and Lesbian Chamber of Commerce (NGLCC).

PG&E Delivers Record Electric Reliability to Its Customers for Sixth Year in a Row

Customers Experienced Fewest Number of Power Interruptions in 2014

Ghilotti Construction Company Opens Hwy 1 Ahead Of Schedule

Santa Rosa-based Ghilotti Construction Co. crews worked 16 hours a day, seven days a week to finish the \$1 million project ahead of schedule

PG&E Plans to Offer Customers a Community Solar Choice in 2015

Green Option Reflects PG&E's Commitment to Clean Energy and Customer Choice

BioMarin Rewrites Playbook for Small-Market Drug Approvals

Few people have heard of Batten disease, a rare genetic disorder that robs children of the ability to walk and talk before the first day of kindergarten and often kills them by the age of 12.

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 45 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

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