

POLICY WATCH – February 2016

In This Issue

- NBLC Endorses Measure AA, the “Clean and Healthy Bay Ballot Measure”
- Transportation Funding Shrinks - And Business is Shrieking
- Skills Gap Growing – Ideas How to Close It
- Members in the News



February this year has a leap day. In this issue, we take some leaps, too. NBLC is leaping in to support Measure AA to help fight sea level rise and the increase in flooding predicting from climate change. NBLC is also amping up the pressure on our state legislators to fix our roads. It is a disgrace that our state’s roads are some of the worst in the nation. When you enter California from neighboring states, it is woefully apparent that our transportation infrastructure is crumbling. It is time to act – we can’t afford to neglect a key component of our economic ecosystem any longer!

We hope that you will check out two upcoming events produced by NBLC and Dominican University’s Institute of Leadership Studies. The first is a workshop on financing exporting, a real opportunity for anyone looking to grow their business into new markets. And the second is an economic Futurecast by Dr. Micah Weinberg, head of the Bay Area Council Economic Institute. Two quality events, right here in the North Bay!

Best,

Cynthia

NBLC Endorses Measure AA, the “Clean and Healthy Bay Ballot Measure”

North Bay Leadership Council endorses Measure AA, the measure to restore Baylands/wetlands and increase flood protection, known as the “Clean and Healthy Bay Ballot Measure,” on the June 2016 ballot. This measure would establish a \$12 parcel tax (\$1/month) on all property owners in all nine Bay Area counties. A two-thirds vote, Bay Area wide, is required to pass it. If successful, the measure would raise \$500 million over 20 years to help fund restoration of more than 15,000 acres of wetlands and tidal marsh that act as natural barriers and would provide funding to construct miles of levees, while also increasing public access to the Bay. This measure is crucial to protecting the Bay and the region’s economy.



The San Francisco Bay is the heart of our region, and its health is central to our economy and our quality of life. Yet, if left unchecked, the increasing flood risks facing the Bay Area could cause major damage and severely cripple the region’s thriving economy. Sea level rise and increasing storm activity due to climate change coupled with an aging levee system and reduced wetlands have made the Bay Area vulnerable to devastating flood events. Compounding the threat, much of the region’s vital infrastructure is located at or below sea level, including airports, hospitals, water treatment plants and many miles of area highways. An estimated \$10.4 billion in damages is at stake.

Here are some compelling facts on why the funding from this measure is needed:

- Today, 355,000 Bay Area residents and \$46.2 billion in building structures and contents are located on a 100-year flood plain in the nine-county Bay Area.
- The San Francisco Bay rose 8 inches during the 20th century, and is projected to rise 3 feet in the current century.
- The Bay Area Council Economic Institute estimates the region would suffer more than \$10 billion in economic damages during a megastorm, about the same as the Loma Prieta earthquake. **The North Bay (Marin, Napa, Sonoma and Solano Counties) could conservatively suffer \$1.3 billion.**
- For \$1.5 billion, the region could significantly improve its defenses by restoring 30,000 acres of wetlands with several miles of levee construction.
- The flat \$12 parcel tax would help leverage additional funds from state and federal sources.

Other endorsers include a broad coalition of environmental and business groups – including Save the Bay, Audubon California, Silicon Valley Leadership Group and the Bay Area Council.

Transportation Funding Shrinks - And Business is Shrieking



It is a “you’ve got to be kidding” moment when the California Transportation Commission cut its budget despite the fact that our state’s roads couldn’t be in much worse shape. The funding cut is due to the lack of transportation funding coming in as gas prices drop and produce less sales tax revenue. It is also due to a failure of the Legislature to act to bring in new revenue to help pay for the huge backload of existing transportation infrastructure maintenance and improvements projects.

The cuts are impacting the North Bay, including the Marin-Sonoma Narrows project which is in dire need of funding to complete. Local roads are crumbling. Commutes are getting worse. Last year, NBLC and other business councils supported Gov. Brown’s proposal to raise more than \$3 billion per year for highway system repair and improvement, and urged the Governor and the Legislature to fix our roads and save our state’s economic ecosystem.

Since then, we and other business groups have been pushing the Legislature to do their jobs and pass a transportation funding package that includes new meaningful revenue—possibly up to \$6 billion per year—along with accountability and reform provisions that ensure that the money is spent on transportation improvements in an expedited manner. We agree with the Bay Area Council, “The time for the Legislature to act is now, with the economy strong and gas prices low; continued inaction from Sacramento means only that the future bill will be an order of magnitude higher and that our overburdened transportation system will be a drag on job creation in California.”

Fixing our roads is a priority for NBLC and we hope it is, too, for our elected representatives.

Skills Gap Growing – Ideas How to Close It

It is a common complaint. Employers have jobs they can't fill because they are unable to find people with the skills to do the job. The complaint includes that lament that college grads aren't ready to work and are not prepared for the 21st Century workplace. What to do?

A new report in Knowledge at Wharton, **College vs. Business Training: What Do Employers Want?** (Feb 11, 2016), discusses the problem. The report states, "Every year, approximately 5,300 colleges and universities in the U.S. busily churn out thousands of graduates. And American higher education remains a sought-after commodity worldwide, as evidenced by the million-plus (according to U.S. Immigration and Customs Enforcement) international students flocking to the U.S. to study. Given the apparent abundance of available talent, why do many industry leaders and other employers continue to complain about a "skills gap," asserting that they can't find qualified candidates to fill positions? And why, according to the Economic Policy Institute, are more than 7% of U.S. college graduates unemployed and nearly 15% under-employed?"

At a recent Wharton Reimagine Education conference in Philadelphia, representatives from Google, EY, IE Business School and others tackled the question, "What do employers want?" One of the participants, Jake Schwartz, CEO of General Assembly, a global education institution, said that was the wrong question. Schwartz said, "Is it higher education's mission to prepare people for the skills they need in an up-to-date fashion for the 21st century?" he asked. "I would posit that most people involved with higher education institutions would say no, or not in a direct sense." He called that "problem number one" in the disconnect between academia and the working world.

Another participant, Santiago Iniguez, dean of IE Business School in Madrid, Spain, supports a liberal arts education because it helps in "developing the full, integrated personality of [an individual].... The liberal arts curriculum, which is prevalent here in the U.S., has done a fantastic job, and should be one of the experiences that can be exported elsewhere." While Europe's academic tradition has been much more profession-oriented, he added, it has not succeeded in training more work-ready graduates — especially in Europe's current environment of high unemployment.

Robert Lytle, managing director and co-head of education at Parthenon-EY, a global education consultancy, said the problem wasn't with the liberal arts education but with two issues. "For one, liberal arts has a "brand trust issue" that has arisen in the last ten years or so — not with the concept or the curriculum, he emphasized, but with the quality of the education actually delivered. And employers may have cause to feel that way, Lytle said. "There's a lot of empirical evidence that suggests students who go into a liberal arts program actually do not advance in their critical thinking skills over time. [Combine that] with the fact that they don't get a lot of what [employers] are pointing at, which is real-world experience, soft skills and the ability to work in a group."

Another objection is that a liberal arts education doesn't prepare candidates sufficiently with job-specific skills. According to Lytle, employers will often say: "I need a little more depth on specific entry-level capabilities. If you're going to come to me as an accountant, you actually need to know accounting." Another insight came from Rya Conrad Bradshaw, U.S. vice president and managing director of Fullbridge, a global educational technology company that tries to close the workplace skills gap for young adults. "What [employers] want is for someone to hit the ground running ... because people are staying a much shorter time, especially in their early years, [companies] won't invest in them." She added that while

firms may be willing to supply some on-the-job technical training, they expect entry-level hires to arrive with their soft skills mastered.



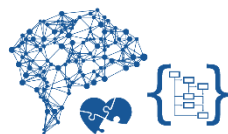
Top 10 skills

in 2020

1. Complex Problem Solving
2. Critical Thinking
3. Creativity
4. People Management
5. Coordinating with Others
6. Emotional Intelligence
7. Judgment and Decision Making
8. Service Orientation
9. Negotiation
10. Cognitive Flexibility

in 2015

1. Complex Problem Solving
2. Coordinating with Others
3. People Management
4. Critical Thinking
5. Negotiation
6. Quality Control
7. Service Orientation
8. Judgment and Decision Making
9. Active Listening
10. Creativity



Source: Future of Jobs Report, World Economic Forum

Participants noted that the current students aren't as interested in working in traditional jobs. Jaime Casap, chief education evangelist at Google, said "If you look at Generation Z, 42% of them want to start their own business.... Today, five kids with laptops and some server space on Google or Amazon can start whatever they want." He is pushing for lifelong learning, coupled with more competency-based experience, so that education delivers outcome-based solutions.

The panel discussed postgrad degrees' necessity and timing. There was agreement that waiting a few years is a good plan, graduate programs should be shortened, and for some students, no higher degree may be worthwhile. It may be a better course to focus on learning specific skills that are readily put into action.

Another revelation was the companies' views of the benefits of degrees. The report said, "Casap noted that Google and many other companies are trying to find novel ways to evaluate job candidates. He reported that once someone has worked at Google for two years, "we see no correlation between your GPA, your degree and how you do at Google. "So that raises the question of the whole idea of degree completion, and class completion and certifications," he continued. "What happens when a company like Google or any other company can do its own assessment to determine your knowledge, skills and abilities — and not care where you went to school, whether you went to Kellogg or you did General Assembly? ... There are a number of organizations, a lot of startups right now that are focused on that."

The report revealed that “the panel agreed that the top traditional business schools currently do one thing very successfully: They use their cachet and brand name to place graduates with top employers.

“There’s a tremendous amount that MBA programs do extremely well in bringing that pathway to career, right at the very beginning,” said Bradshaw. She commented that undergraduate programs should learn from MBA programs about how to connect with employers early on.”

There is also growing interest by business to provide the training they seek in their employees but are unable to find in applicants. As the need for talent heats up, it is likely that business will implement more in house training programs to ensure that they have the workforce they need to succeed.

Members in the News

Nelson Welcomes New Executive Team Leaders With More Than 20 Years of Combined Staffing Experience

Nelson, one of the largest independent staffing companies in the United States, has announced changes in its leadership team to address the unique hiring challenges faced by California organizations, including Fortune 500 companies.

Hanson Bridgett Adds Six Associates to San Francisco Office

Hanson Bridgett is pleased to announce the hires of six new associates.

Ghilotti Construction Named the Face of Construction by Sonoma Magazine

Ghilotti Construction is featured in Sonoma Magazine’s January issue Faces of Sonoma County 2016, as The Face of Construction.

College of Marin Board Approves \$265 Million Bond

The College of Marin board voted unanimously this week to put a \$265 million bond on the June ballot, vowing to give the college’s Indian Valley campus in Novato a fair share of the funds.

Catholic Charities' Jeff Bialik Speaks with Congressional Leadership

Jeff Bialik, Executive Director of Catholic Charities, joined Catholic Charities USA President, Sr. Donna Markham, as she welcomed House Speaker Paul Ryan, Minority Leader Nancy Pelosi, and members of Congress at a reception on Capitol Hill.

PG&E’s Solar Choice Program Allows Customers to Now Go 100 Percent Solar

Pacific Gas and Electric Company (PG&E) today launched PG&E’s Solar Choice program, extending the option for 100 percent solar power to customers who are not planning to install rooftop solar panels.

Comcast Sponsors an Entrepreneurs Contest

Tell us how you would invest \$30,000 into technology to grow your business. Would you upgrade your computers and software? Automate some of your work streams? Build an e-commerce website? Improve your customer experience? The possibilities are endless.

Buck Institute starts Unity Biotechnology venture

The Buck Institute for Research on Aging in Novato on Feb. 3 launched a startup called Unity Biotechnology First Company.

St. Joseph Health to Offer Free Medicare Seminars

St. Joseph Health will be offering a series of free Medicare seminars in Sonoma and Napa counties. The seminars are open to the public and will be offered at Petaluma Valley Hospital, Santa Rosa Memorial Hospital and Queen of the Valley Medical Center.

W. Bradley Electric's Leslie Murphy Honored at the Heart of Marin Luncheon

W. Bradley Electric, a full service electrical contracting company, was honored with Corporate Community Service Award for its charitable efforts.

Sonoma State University Names Judy Sakaki President

Judy K. Sakaki was named president of Sonoma State University on Wednesday, becoming the second female president in the 55-year history of the Rohnert Park campus.

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 47 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