

Minutes
CareerSource Northeast Florida Executive Board Meeting
February 27, 2019

The FCWD, Inc., Executive Board meeting was called to order by Chair Elaine Johnson on Wednesday, February 27, 2019 at 9:03 a.m. at the CSNEFL Corporate Office, 1845 Town Center Blvd., Suite 250, Fleming Island, FL. The following members participated, representing a quorum:

Darryl Register
Clay Lyons
Eda Edgerton

Dan Vohs
Joe Pickens

Elaine Johnson
Jake Schickel

Staff: Bruce Ferguson, Cheryl Taylor, Candace Moody, Jay Loy, Steven Dionisio, Dianna Davis, Judy Hahn, and Diane Nevison

Others: Joan Long (FCTC) and Lori Price (Clarity Transitions)

Public Comment: None.

***Action Items**

***Approval of Minutes**

Motion made by Joe Pickens and seconded by Dan Vohs to move approval the December 5, 2018 Executive Board minutes as written; motion unanimously carried.

Discussion Items

Leadership Development Report and Discussion

At the direction of the Executive Board staff was asked to work on a succession plan since many senior staff will be retiring within the next 5 years or sooner. Clarity Transition was hired and developed an action plan of results and recommendations. Lori Price, President of Clarity Transition, reviewed the process and key points in the report. After a review of the organization chart, job descriptions, and responses from an online survey of VP's and Directors, structured personal interviews were conducted to assess each leadership team members approach to employee development, additional resources to grow employee skills, potential to promote from within their positions and those of their direct reports, and how to improve the overall structure of the CSNEFL Leadership team.

What We Learned:

- **Build bench strengths.** Most VP's and Directors actively develop their direct reports and employees with positive attitudes and behaviors are identified for skill development, supervisor delegated responsibilities, exposing them to other work, sharing information and mentoring.
- **Additional Resources Desired to Develop Employees.** Grow employees through additional training, restructuring of new hire orientation and onboarding, and resources to acknowledge staff.
- **High Potential Individuals.** Most leaderships were able to identify rising stars who would benefit from mentoring and/or "leadership academy".

Leadership Suggestions for Improved Organizational Performance:

1. **Communication** - VP's and CEO meet regularly; district directors meet regularly share best practices; ensure every employee understands big picture and Bruce's vision.
2. **Effectiveness** – Create Center Director position under VP of Operations or provide additional support; promote interdepartmental understanding and collaboration (between business services and operations), eliminate silos, simplify structure and reduce number of levels; consider not having 2 HR related VP's, eliminate overlap in marketing and training.
3. **Employee Development** – invest more time and money in individuals including recognition; institutionalize mentorship; strengthen new hire program; move HR training under HR; hire and develop younger leaders.

4. Succession – Groom an Executive VP for future leadership; plan for Diane Nevison's succession; consider a transition committee to look at structural opportunities as change occurs.

Clarity Transition Recommendations to Sustain and Grow the Organizations Depth of Strong Leaders:

- Onboarding – early potential can be identified and broad exposure to the organization can begin. More centralized in-depth orientation, including early paperwork, certifications and other requirements met while matching employees with mentors/trainers. Can consistently observe if new employee may not be a good fit.
- Restructuring – As attrition occurs, blend VP positions (HR/compensation and benefits, Accounting and Finance) and build secondary roles at the director report level. Currently, the VP of Operations has wide-sweeping responsibilities for internal customer service and external business relations and has 11 direct reports. As resources become available, decrease number of direct reports, consider consolidating management of career service centers under one direct report, establish a direct report focused on internal operations and who can manage several of the VP's current direct reports, or hire an Executive VP and/or Assistant VP (opportunity to shift responsibilities and reduce the number of direct reports). These suggestions do not address comments to reduce hierarchical layers within the organization but could help simplify the structure if combined with information clarifying roles and authority.
- Culture of Employee Development – Increase employee development into the work environment. Use delegation under supervision, coaching and training to address customer service, leadership, communication and other identified areas for professional growth.
- Cross Pollination of Teams – Bring employees with diverse backgrounds and experiences together to influence each other and build potential leaders, grow an understanding of the big picture strategy and move people out of silos. Cross functional teams can address initiatives with organization-wide impact, i.e., a task force to assist with implementation of recommendations or continually assesses and prepare for succession readiness; an HR Advisory Group makes recommendations to ensure employees continue to feel valued and acknowledged; leadership or other training events to ensure functional diversity in classes.
- Elevating Vision – Keep employees abreast on organization plan, how to get there, the different components of CSNEFL and how they come together. (Builds loyalty and shared information diminishes misunderstandings across programs, potential pay differences or levels of accountability). Link CSNEFL' business and strategic plans to its talent management and recruitment efforts to ensure right people are in place to meet future business needs. Identify talent gaps to stay on top of evolving trends/demands. Bruce has a clear vision and they want to hear more about Bruce's vision.
- Individualized Plans – Regularly conduct professional development goals as well as the leadership pipeline. Conduct routine assessment at the VP and Director levels (update as organization's strategy and environment changes), who is being readied for next level of greater leadership, what skills are needed and what gaps exist for the recruitment of external candidates.

Conclusion – CSNEFL's CEO, Vice Presidents and Directors regularly work towards a strong and sustainable leadership team and structure and they proactively plan for long-term organizational strength. Clarity Transition's recommendations are designed to support the organizations goals and further ingrain employee development and high leadership capacity in their culture and operation.

Board Questions/Comments:

- Several board members have talked about succession planning and with the nature of this work calls it "Success Planning".
- A WSJ article said do not let the current CEO pick the next CEO. Some members stated this could be correct if the entity is moving in a positive direction and objectives are being met. However the current CEO know the organization best and should have substantial input in the type of person the organization needs. Members agreed to go with the incumbent
- If you have a great deal constancy within your organization, you can grow and mentor people from within. If not, go with the marketplace.
- This should be done any time there is turnover...do we fill internally or externally.

What are the Board's next steps?

- The report is very good and needs to be digested and then see what is next.
- In looking at the recommendations, there are some internal things that the committee needs, i.e., onboarding, culture of employment development, cross pollination, more discussion on restructuring which may drive the need for new leadership roles, bands of control, bench strengths and the plan for Diane Nevison's succession.
- Since these transitions will occur under Bruce's and the Boards watch, Bruce's thoughts are needed to help the Executive Board sector out how to proceed (internal development or external hire). Bruce is doing an excellent job. He recognizes the board's vision and where we want to go and we are proud of him.

Bruce's Thoughts: Bruce thanked the Executive Board for their thoughts and direction. He is pleased with the report and feels it should be done routinely so that we are going in the right direction. Two key points to focus on first with guidance from the Executive Board are: 1) Fill the Executive Vice President position, and 2) work with the VP of Operations to reduce her number of direct reports. Based on discussion with staff, there are no strong internal candidates to fill the Executive Vice President position, however he is confident we can get a qualified candidate from other workforce professionals either in state or out of state. Executive Board suggestions included Linked-In and the marketplace. Individual plans and onboarding can be done on our own operation end.

Jake thanked Bruce for his input, stating based on the report there are things that can be done now. The Executive Board can look for an outside candidate recognizing it is not imminent and that Bruce is not leaving in the near future.

The Chair felt there would be value in a "Special Executive Committee session" to have "Success Planning" to further discuss this and document next steps on how the Executive Board can make them happen. A poll will be emailed to the Executive board with possible meeting dates between April 15 and July 1, 2019, as well as times and location.

Other

Updated performance figures through December 2018 which are very good will be emailed to Executive Board members.

Legislative Update

The legislative session starts March 11, 2019. A summary of the agenda items that 23 of the 24 Florida Workforce Boards are supporting were reviewed.

1. Apprenticeship Expansion – create tax credits for state and technical colleges, who fund apprenticeships. The current statute encourages state and technical colleges to support apprenticeship programs. However, Florida statute 1009.25 has language changes stating students enrolled in apprenticeship programs are exempt from paying tuition and fees. This has created a disincentive for colleges to provide classroom instruction for apprenticeship programs. Most colleges have interpreted this tuition and fee exemption to mean businesses cannot directly pay colleges for instruction provided to their apprentices. Colleges must fund apprenticeship training through third party arrangements (foundations, private funding, Florida College System Program Fund, WFD training funds). These annual state resources can be used for apprenticeships but few colleges do so. The funds are provided through a complex reimbursement formula-based FTE. Recommended action is to modify or delete the statute to remove the exemption for tuition and fees for students enrolled in apprenticeships and to add clarification or guidance on how the colleges can use the Florida College System Program and WFD training funds for apprenticeships and to use these resources to encourage more apprenticeship opportunities. Bruce asked Dr. Joe Pickens for his comments on this, however Dr. Pickens apologized that he could not as he was not

aware of this and would see that the Council of Presidents who should have known about it are made aware of it.

2. Implement TANF Pay for Performance - Modifies existing WT program policies (SNAP and TANF) to more accurately reflect behaviors and practices that align with regular employment practices.
3. Support Governor's budget to fully fund workforce housing (Sadowski Act funding) - The Governor's budget requests \$9 million for quick response training and Full Workforce Housing Funding (Sandowski fund).
4. Support MiHELP Legislative budget request for \$28 million (HB 4357) – This is the Hurricane Michael recovery multi-fund fund request for that whole \$28 million.
5. Support Business Competitiveness Fund development (SB 640) - Miami has developed a Support Business Competitive Fund that helps fund workforce training through a mechanism that reduces employers unemployment tax rate by a half percent and replaces it with a half percent training tax/fee. It is a neutral cost to the business and has a trigger mechanism if there is another recession and unemployment rates increase, that half percent would go away.

Finance Update

We are on track to meet a major benchmark goal. Our training level expense fund requirement is 35% and we are at 61% at the end of January 2019. Funding projections were reviewed. WIOA Adult funding should be level funded and TANF shows a 1.4% decrease (not unexpected as we see record low caseloads). These are projections and are subject to change. We are level funded in the Governor's budget and assume the state legislature will keep us level funded. Federal funding breakout should be available late April/early May.

Next Meeting Date

The next Executive Board meeting is Wednesday, March 27, 2019 at 9:00 a.m. at the Corporate Office, 1845 Town Center Blvd., Suite 250, Fleming Island, FL; an Outlook Invite will be sent to members.

The next Full Board meeting is Thursday, April 25, 2019 from **9:30 a.m. to 11:00 a.m.** at the University of North Florida, Adam W. Herbert University Center, 12000 Alumni Drive, Room 1058-1, Jacksonville, FL.

Adjournment

The meeting adjourned at 9:52 a.m.