

Small Business Financing Initiative



Talent Management Webinar

- Pam Porter | Opportunity Finance Network

Agenda

- Definitions
- Talent Management Framework
- Hear from CDFI Practitioners
- Questions



Goldman Sachs *10,000 Small Businesses* is a \$500 million investment to help small businesses in the United States create jobs and economic growth by providing entrepreneurs with a practical business education, access to capital and business support services.

The program is based on the broadly held view of leading experts that greater access to this combination of education, capital and support services best addresses barriers to growth.

Small Business Financing Initiative:

Multi-faceted program to increase the scale of small business lending by mission-driven lenders

- 2014
- Workshops
 - Forum
 - OFN Conference
 - Leader Award

- 2015
- Collaborative
 - Forum
 - OFN Conference
 - Leader Award

- 2016
- Collaborative
 - Webinars
 - TA Memos
 - Forum
 - OFN Conference
 - Leader Award

Small Business Finance Collaborative

- 24 leading mission-driven small business lenders nationally
- Intensive two-year program of peer learning, training, and technical assistance
- Goal: Aggressive growth in small business lending
- Promotion of best practices and collaboration that support scale

Finance Collaborative Participants

- ★ Access to Capital for Entrepr...
- ★ Accion NM/AZ/CO/NV
- ★ Bridgeway Capital
- ★ Brooklyn Cooperative Federa...
- ★ California Coastal Rural Dev...
- ★ CDC Small Business Finance
- ★ CEI
- ★ Colorado Enterprise Fund (C...
- ★ Community First Fund
- ★ Community Reinvestment F...
- ★ Craft3
- ★ Entrepreneur Fund
- ★ Excelsior Growth Fund
- ★ Growth Capital Corporation
- ★ Kentucky Highlands Investm...
- ★ LiftFund, formerly known as ...
- ★ Montana CDC
- ★ Northern Economic Initiative...
- ★ Pacific Community Ventures
- ★ PIDC Community Capital (PI...
- ★ The Support Center
- ★ Travois
- ★ VEDC
- ★ Virginia Community Capital



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Topic	Date
Small Business Landscape	February 11
Business Model Canvas	March 3
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Talent Management	June 16

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ofn.org/small-business-financing-initiative

Today's Presenters



Pam Porter
Executive Vice President, Strategic Consulting
Opportunity Finance Network



Colleen Ippolito
Director of Human Resources
CEI



Bob Porter
Managing Director, Business Advising & Lending
Pacific Community Ventures

Introductory Exercise

- How did you learn to lead others?
- How do others learn to lead from you?

Defining Talent Management

- An organization's activities to recruit, keep, and train the most skilled and highest quality staff members they can find, afford, and hire.
- Talent management gives business managers an especially important role to play in recruiting, developing, and retaining desirable staff members.

Read more: <http://www.businessdictionary.com/definition/talent-management.html#ixzz37IMRdSUL>

Or to put it another way

- Do we have the **right people**, with the **right skills**, in the **right jobs**, at the **right time**?
- **Are they engaged** in the mission, values, and culture of our organization?

Integrated Approach

Social mission is a powerful driver and motivator of performance outcomes.

Leadership

Top leaders drive vision, values, and culture.

Business strategies must align with mission, culture and talent.

Mission

Leaders are actively involved in developing employees.

Business Strategy

Talent Management

TALENT MANAGEMENT FRAMEWORK

**Are your
employees a
competitive
advantage?**



Employee Life Cycle



Attract and Recruit

- How competitive is our compensation?
- How do we access the right people for the right jobs?
- What is our best source for talent?
- Are job descriptions good recruiting tools?
- How do we find “learners”?
- How important is the interview process?

Onboard and Train

- Who is accountable for successful onboarding?
- How important is technical training?
- Do we train for both industry and organizational knowledge?
- How do you “teach” culture?

Retain and Develop

- How do we keep talented people?
- What works in developing others?
- Do generational and gender differences matter in development?
- Is all turnover bad?
- Do we monitor pay equity?

Motivate and Challenge

- How do we “engage” our people?
- What is a challenging assignment?
- How can we create a motivated employee?
- Who should be accountable for motivation?
- What are the essential skill areas we should focus on?

Succession and Transition

- How do we address “founder fatigue”?
- How can we protect founder legacy?
- What are elements of a good transition for departure?
- How do we identify and remove complacent leaders?
- When do I know when it is time for me to move on?

Assessing Your Organization

Life Cycle Stage	How effective are we now?	How important is this to our mission and growth strategy?	How might growth affect what we do?	What actions should we take to advance our approach?
Attract & Recruit				
OnBoard & Train				
Retain & Develop				
Motivate & Challenge				
Succession & Transition				

Questions?

- Any questions so far?

Talent Management

Bob Porter



PCV Loan Fund and PCV's BusinessAdvising.org

PCV was launched in 1999 by two former Silicon Valley executives who saw the resources being made available to venture-backed tech startups (access to working capital, expert business advice, and extensive networks) and knew that independent businesses on Main Street would benefit from the same resources. Since our start, Pacific Community Ventures has helped over 4,000 small businesses grow and create tens of thousands of jobs in neighborhoods that need them most.

Pacific Community Ventures is a 501(c)(3) nonprofit community development financial institution (CDFI) that engages small businesses, impact investors, and policymakers to build an economy that works for everyone.

For 17 years PCV was/is a collection of 3 separate successful “brands” and separate teams. *This was identified as both an immediate issue as well as a overall strategic opportunity.*

Small Business Lending

State-wide program – California

PCV is a nonprofit lender that provides affordable small business loans from \$10,000 to \$200,000 to California businesses creating quality jobs in our local communities.

BusinessAdvising.org

National program

Matches small business owners with expert business advisors and mentors who provide tailored, hands-on assistance to grow their businesses.

Insight Impact Investing Research, Consulting, and Advisory Services

National and International Program

Provides information and analysis to clients with the goal of driving capital to social purpose. Provides customized research, strategic analysis, and advisory services to investors, policymakers, and market intermediaries to measure and communicate the social outcomes of your investments and increase your impact. Clients and partners include CalPERS, White House, British Cabinet Office, Rockefeller, Surdna, MacArthur, Ford, Kellogg and others.

In late 2015, after 14 years a new CEO came onboard and for the 1st time someone seriously asked the following questions:

- How can PCV leverage the successful work of each team to create an overall more successful organization? This was determined to be the key question.
- What effect would this have on the culture at PCV?
- How could this be used to further engage and motivate staff members?
- How could this be used to develop staff members?
- Could a sense of ownership and accountability be created in a way which was perceived as a positive for all concerned?

The road to answer these questions included:

- Leadership discussions
- Multiple meetings with each of the 3 teams plus our marketing, finance and grant writing associates
- Informal CEO lunch and learns with each team member

Ultimately:

- A strategic planning process was developed, scheduled and completed.
 - Each team developed 5 year goals along with team wants and needs
 - Each team presented to the organization and solicited feedback
 - Feedback was incorporated and the plans represented/finalized
 - Plans were incorporated into a central PCV strategic plan

- This process created a sense of “ownership” in the direction of PCV

- With the strategic plan in mind Leadership re-examined the associate review process being used

- A new Personal Development Plan was designed with 5 specific sections.
 - Section 1 - Creating a stronger organization
 - Section 2 - Specific financial/programmatic deliverables
 - Section 3 - Programmatic improvements
 - Section 4 - Cross team component
 - Section 5 - Personal development

People Development Form 2016

Name		Prepared By	
Position		Date	
Objectives & Responsibilities			
Objective #1: Contribute to developing a strong organization who together are building an economy that works for everyone.		Rating:	
Specific Responsibilities a) Coach and develop [redacted] and new hire, using new people development process b) Successfully hire and on-board new associate c) Contribute to organizational culture by welcoming new employees d) Work with the Insight team to identify ways to incorporate metrics and job quality in the BA process, using an open "seek to understand" mindset.		Results	
Objective #2: Expand current one-to-one BA program nationally and deepen the program		Rating:	
Specific Responsibilities a) Create a pipeline of corporate p-ships resulting in b) meaningful matches for BA while improving quality c) Develop an understanding of what types of interaction/awards advisors are looking for by using a focus group/outreach. d) Begin to manage the BA program budget e) Create content – blogs, articles, webinars or other to drive traffic		Results	
Objective #3: Understand others ways in which BA could uniquely meet the needs of small businesses		Rating:	
Specific Responsibilities a) Better understand current participants - create focus groups and/or surveys among small business customers to better understand their pain points and how PCV could help b) Develop a plan for new program/revenue generating initiatives and prioritize what we test and how. c) Create the next iteration of the partnership toolkit d) Build product packages for BA program website for inbound leads		Results	

Objective #4: Support marketing in our efforts to move to one brand	Rating:
Specific Responsibilities a) Support transition from "BA" as the lead brand to having BA be seen as part of Pacific Community Ventures and working with marketing to change materials	Results
Objective #5: Enable your – and PCV's - future success via personal development goals.	Rating:
Specific Responsibilities a) Achieve Certified Scrum Master certification – This methodology emphasizes communication, collaboration, and the flexibility to adapt during product development. i.e. developing a plan for revenue generating programs and packaging BA.	Results
Skills Assessment	
Strengths 1. 2. 3.	Opportunities 1. 2.

Questions?

- Any questions so far?

Talent Management

Colleen Ippolito



Capital *for Opportunity and Change*

Who is CEI?

- Coastal Enterprises, Inc. (CEI) is a mission-driven lender and investor specializing in rural economic development in Maine and throughout the U.S.
- CEI combines financing, advising services and policy leadership to help create economically and environmentally healthy communities in which all people, especially those with low incomes, can reach their full potential.

<http://www.ceimaine.org/>



CEI's workforce

- 58 staff
 - 4 part-time , 54 full time
 - 16 non-exempt, 42 exempt
- 12 departments; predominantly professional level positions, some administrative
- High percentage of tenured staff
 - 39% have 10+ years of experience
- Leadership team comprised of President, CEO and 9 SVPs
- Headquartered in Brunswick, Maine with 11 satellite offices throughout the state



Recruitment and Onboarding

- Average turnover rate (last 3 years) = 18%
- Average turnover rate (last 5 years) = 16%
- Why?
 - Prior to the past 5 years, turnover tended to be less than 10% annually.
 - Significant organization changes over the past 5 years, and past 3 years in particular:
 - Retirement
 - Management changes
 - Comprehensive organizational review performed – Sought to create workflow and people efficiencies
 - Resulted in reorganization of select departments and realignment of certain positions within those departments.



Future focused - Recruitment

1. Know your audience

- Create a careers page on website and leverage social media
 - Testimonials, YouTube, Facebook, LinkedIn
 - Focus on company mission and the opportunity for purposeful, community-driven work.

2. Evaluate interview process

- Include team members and direct reports (if applicable) – get feedback from everyone involved before making a hiring decision.

3. Network, network, network

- Create robust, year-round intern program, build pipeline of candidates.
- Network with colleges; create partnerships.

4. Analysis: Ensure compensation and benefits competitive

- Use an external consultant to do market research, benchmarking and job description analysis.



Future Focused – Onboarding and Professional Development

- **Current onboarding process?**
 - Formal? Informal?
 - Required documents? Personnel files?
 - Who handles? HR? Manager? Both? None?
 - What first day impression do you make?
- **Training for new hires?**
 - OTJ?
 - Formal? Informal?
 - How do people know what they are supposed to do each day?
- **Performance and professional development process?**
 - Review process– check-ins? How frequently?
 - Is job description used during goal setting/development plan?
 - How is progress measured?



Questions?

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A Conversation with Pacific Community Ventures and CEI

- Any questions from the audience?

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