



Martin O'Malley Governor  
Anthony G. Brown Lt. Governor  
Christian S. Johansson Secretary  
Dominick E. Murray Deputy Secretary

July 2, 2012

The Honorable Thomas V. Mike Miller, Jr.  
President, Maryland Senate  
State House, H-107  
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch  
Speaker, Maryland House of Delegates  
State House, H-101  
Annapolis, Maryland 21401-1991

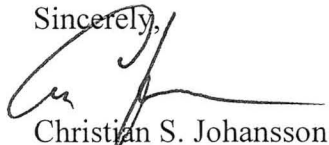
**RE: Governor's Commission on Small Business Annual Report**

Dear President Miller and Speaker Busch:

In accordance with the Executive Order 01.01.2010.13, Section F, the Department of Business and Economic Development is pleased to submit the Governor's Commission on Small Business Annual Report.

I look forward to your review of this report and will be happy to furnish any additional information that is needed. If my staff or I can be of further assistance, or if you have any questions regarding this report, please contact me at 410-767-6301.

Sincerely,



Christian S. Johansson  
Secretary

Enclosure



**Annual Report  
The Governor's Commission  
on Small Business  
(June 30, 2011 – June 30, 2012)**

**Governor’s Commission on Small Business Annual Report**  
*June 2011 through June 2012*

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## MEMORANDUM ON SMALL BUSINESS

**To:** The Honorable Martin O'Malley

**From:** Ackneil M. Muldrow, II, Chair

Karen Barbour, Co-Chair

Governor's Commission on Small Business, Christian Johansson, Secretary

**Date:** June 30, 2012

**Re:** Governor's Commission on Small Business Annual Report, June 30, 2012

On behalf of the Governor's Commission on Small Business (Commission) we are pleased to submit the 2011-2012 Annual Report for the Commission highlighting our advocacy efforts in support of the small business community in accordance with Executive Order 01.01.2010.13. Over the past year, the Commission has been committed to continuing the charge of engaging small business owners and identifying those issues and concerns of most importance to them.

This report summarizes the Commission's interactions with the small business community and represents business concerns related to the areas of access to capital, workforce development and training, procurement, regulatory, and State agency customer service.

Each Commissioner is committed to working on behalf of small business owners to address their issues and promote efforts to remove barriers and create opportunities. We express gratitude for the opportunity to serve and make a positive impact for small businesses. The Commission is dedicated to representing the interests of Maryland's small businesses by making substantial recommendations to enhance economic development policy and position Maryland as being #1 for providing a business friendly environment. We look forward to seeing the progression of our work and the growth of the small business community in the years ahead.

# GOVERNOR'S COMMISSION ON SMALL BUSINESS ANNUAL REPORT TO THE GOVERNOR

## Executive Summary

During the past year, the Commission has focused its attention on providing forums for small businesses to articulate and address barriers to business growth. The Commission obtained first-hand knowledge of the challenges and obstacles currently facing small businesses through various methods of outreach: -small business presentations, company visits, networking events, a survey, town hall meetings, and collaboration with State agencies and other Department of Business and Economic Development (DBED)boards and commissions.

These interactions have been informative and have empowered the Commission to work diligently to address the most critical burdens impacting small business operations. The Commission realizes the importance of gathering input and feedback from the business community to develop recommendations that remove impediments and produce opportunities that successfully fulfill the duties and responsibilities set forth for the Commission.

The Commission has identified issues of major importance to the small business community throughout the State and makes key recommendations within five priority areas. The following conclusions were drawn and will be explained further in the body of this report.

### **Access to Capital**

Establish a program to incentivize micro businesses to create additional jobs through company expansion or relocating to Maryland.

### **Workforce Development and Training**

Replenish depleted and under-funded DBED training and workforce programs-the Maryland Industrial Training Partnership (MITP) and Partnership for Workforce Quality (PWQ). These funds proved to be useful and beneficial for employers to increase employee skills and expand their workforces.

### **Procurement**

Extend the Small Business Reserve (SBR) certification time period from the current 1-year to a 2-year term to avoid frequent fallout from the registry for non-registration renewal and to prevent prolonging participation opportunities.

### **Regulatory**

Expand Maryland agencies' efforts to communicate information affecting small businesses in other languages and or provide access to interpreters, translators, website links or foreign language versions as a required public service to extend access to State programs and services.

### **Maryland Agency Customer Service**

Create a Customer Service Task Force to promote a customer oriented culture within Maryland's government. The Task Force would be tasked with recommending standards that would be specific, measurable and reasonable for improving customer service for all State employees.

## **GCSB Priority Recommendation-Customer Service**

Over the past year, the Commission has heard the reverberating issue from the small business community regarding poor customer service from Maryland agency staff. The small business community anticipates receiving helpful, professional, knowledgeable assistance when using State services. State government exists for the pleasure of serving its constituents. The Commission, in an attempt to focus on improving customer service within Maryland's government, has identified creating a Customer Service Task Force as a priority recommendation for immediate consideration in response to the small business community.

The Commission is resolute in advocating for improved customer service within Maryland on behalf of the small business community. Small businesses represent the foundation of Maryland's economy, representing more than 50% of all employers and employing more than 30% of the private sector workforce<sup>1</sup>. Maryland is dependent on the success of small businesses and small businesses are dependent on the assistance provided through government services and resources. Small businesses are at the mercy of State agencies. In order to operate and grow their businesses, small businesses must be able to understand the State's regulatory system and be aware of financing programs, workforce investment, and procurement opportunities.

The delivery of customer service within government is a topic of heightened concern and frustration among the small business community. Small businesses personally relate to the value of providing outstanding customer service as it very often gives the competitive edge responsible for their own business success. Customers value being treated as though they are valued. A satisfied customer is typically a repeat customer and a repeat customer increases the bottom line.

As Maryland is impacted by budget cuts and reduced spending, the State is continuously challenged with doing more with less. In doing more with less, State agencies are tasked with creating opportunities and finding ways to improve service and maximize taxpayer dollars.

Maryland's commitment to improve "customer service" throughout the State has the capability of improving Maryland's reputation as a business friendly state, creating a competitive economic climate, and stimulating business growth while increasing State revenue.

Maryland is consistently lauded nationally when compared to other states in the areas of education, human capital investment, research and development, technology and science, income and wealth, government and business support, new economy, entrepreneurship, and quality of life. It could easily be assumed that Maryland would naturally excel in the area of customer service delivery to its constituents and the small business community. However, based on the Commission's dialogue with many Maryland small businesses; dissatisfaction was often communicated when referring to their experiences with State staff. Now is a perfect time for Maryland to make customer service a priority. Leaders are re-focusing their attention on the importance of customer service within government agencies. Leaders recognize best practices and the quantifiable outcomes attributed to providing excellent customer service. [Leaders nationwide are focused on making customer service a priority as a result of the benefits stemming from those outcomes.]

### **Federal Focus on Customer Service**

#### **President Obama**

On April 27, 2011, President Obama issued an Executive Order, "Streamlining Service Delivery and Improving Customer Service," a far-reaching directive making better customer service a priority for every agency in the U.S. government. The order recognizes that citizens' experiences in the private sector create heightened levels of expectation about how they will be treated in their interactions with the public sector. The president identifies "advances in technology and service delivery systems" as the forces driving the rising standards. President Obama's executive order effectively raises the bar on customer service experiences with his commitment that "the government must keep pace with and even exceed those [rising] expectations."<sup>2</sup> In a nutshell, it directs agencies to develop and monitor customer service plans and measures and to solicit customer feedback to improve service. It calls for agencies to use technology to streamline customer service and to emulate practices that have worked well in the private sector.<sup>3</sup>

In January 2010, President Obama called for a "Forum on Modernizing Government" in order to hear from leaders in the private sector responsible for every day management to lower costs while improving performance and customer satisfaction sharing best practices. The President wanted to hear their ideas on leveraging technology to streamline federal operations, improving customer service, and maximizing technology return on investment. The discussions focused on how lessons from those leaders who have driven progress and productivity in the private sector can best be applied to the operations of the federal government.<sup>4</sup>

## **President Clinton**

In 1993, President Clinton issued an Executive Order, “Setting Customer Service Standards,” an order setting a goal for federal agencies to deliver customer service that equals the best in business. In March 1995, the President again focused attention on improving customer service by issuing a memorandum addressing a second phase of reinventing government requiring agencies to integrate customer service measures with other performance initiatives and to align employee appraisal and recognition programs with a customer focus.<sup>5</sup>

## **State Focus on Customer Service**

### **Pennsylvania**

In January 2011, Governor Corbett announced his “Reform Plan for a More Efficient and Responsible Pennsylvania Government.” The Governor stated, “I am committed to provide an open, transparent, accountable and trustworthy government that puts our taxpayers first and gets the commonwealth back on track.”<sup>6</sup>

### **Georgia**

In February 2010, Georgia was praised for their continued efforts in improving customer service by the White House and founder of Craigslist, Craig Newmark.<sup>7</sup> In January 2006, Governor Perdue signed an Executive Order creating the Office of Customer Service during the State’s first Customer Service Summit. The purpose of the office was to coordinate, manage and guide the implementation of agency plans to elevate the level of customer service experienced by Georgia citizens when working with agencies for state services. Governor Perdue appointed Joe Doyle as the director. Doyle also chaired the Commission for a New Georgia Task Force on Customer Service and directed the Governor’s Office of Consumer Affairs. The Governor challenged agency heads and customer service champions from 42 state agencies and offices to begin implementation of a customer service improvement plan. Governor Perdue also announced the theme of the state’s customer service campaign – “Team Georgia. Ready To Serve.” Among its recommended change initiatives, the Commission for a New Georgia Task Force on Customer Service recommended easier access to government services, faster processes so customers can get business done quickly and friendlier service in a customer-oriented culture.<sup>8</sup>

### **Iowa**

In May 2001, Iowa launched an initiative to improve and reinvent the State. The Iowa Reinvention Partnership pioneered a bureaucracy-busting path for Iowa state government. This Partnership between the State of Iowa and The Public Strategies Group proved that government can deliver better results for the money, and showed how to do it. A fundamental change happened by transforming systems to make performance and results for Iowans most important, by listening to customers, by engaging our employees, and by constantly learning and innovating.<sup>9</sup>



## **County Focus on Customer Service**

### **Maryland's Montgomery County**

The City of Rockville began an initiative to develop citywide customer service standards in 1999. The City of Rockville created a Customer Service Task Force comprised of 35 employees representing each City department and they worked over a period of six months to finalize the recommended standards for presentation to senior staff. After careful review and consideration, senior staff members transmitted their questions and comments along with the proposed standards to the City Manager for final approval. On February 28, 2000, the City of Rockville's citywide customer service standards were formally adopted. In 2003, the Customer Service Standards were updated to incorporate training sessions.<sup>10</sup>

A core value of Rockville city employees is the high priority placed on customer service. Known as "The Rockville Way," the organization's culture is centered on an expectation that employees go above and beyond the normal call of duty to provide exceptional customer service. This citywide focus on customer service caused the city to form the Customer Service Action Team, an interdepartmental committee of employee volunteers that has maintained its momentum for more than a decade. The team, comprised of employee volunteers, demonstrates leadership and teamwork as they motivate staff and produce results that strengthen Rockville's values and commitment to customer service.

Because customer needs and expectations were continuously evolving, the team saw the need to review and update the standards regularly. Since they were adopted, the standards have been reviewed and updated three times - in 2003, 2007, and 2011. However, the team's stewardship of the standards far exceeds the adoption and revision of the standards themselves. They have institutionalized an organization-wide commitment to continuous improvement of customer service built on the foundation of the standards.<sup>11</sup>

### **The Importance of a Customer Service Focus**

Providing standards for excellent customer service is vital to government agency survival. When citizens have pleasant experiences in communicating and resolving issues with their government, they are more likely to feel satisfied with its performance and to become more engaged in maintaining that standard of good governance throughout their community. As the bar is raised by and for the citizen, the agency, communities, and the State benefit from the foundation of mutual trust and established goodwill.<sup>12</sup> Government exists for the benefit of the taxpayers - citizens and small business owners.

Harvard competitiveness guru Michael Porter states, "We are a collection of specialized regional economies within and beyond U.S. borders, states and regions competing to offer the most productive environment for business, so each state and region takes responsibility for competitiveness and addresses its own problems rather than waiting for the central government.

States and regions whose governments transform to help become more competitive will do better than others.”<sup>13</sup>

Richard Barton, previously the Business Process and Quality Management Executive for IBM sums it up this way, “Outstanding customer service very often makes the difference in any marketplace. Improving customer service provides a productivity improvement leap, reduces wasting time and costs to customers, and results in a flow to a more profitable private sector, which pays the taxes to support the public sector.”<sup>14</sup>

### **Mission**

The mission of the Commission on Small Business is to provide a forum for small businesses to articulate and address barriers to business growth, recommend economic development policies to the Governor, implement and oversee the recommendations of the Governor’s Task Force on Small Business, develop recommendations to promote, improve, and encourage the viability of Maryland’s small businesses.

### **Purpose**

The Commission is also responsible for providing a regular review of *Maryland Made Easy*, which seeks to further improve Maryland’s business environment by streamlining processes, simplifying regulations, and improving communications where business and government intersect. The Commission promotes small business sustainability and growth, the cornerstone of economic prosperity serving as advocates for small businesses. Members work to identify, review, analyze, recommend and implement increased opportunities for sustainability and growth in the areas most challenging for the small business community.

### **Membership**

The Commission currently consists of 26 members: 16 are appointed by the Governor, two are members of the Maryland Senate, two are members of the Maryland House of Delegates, and seven are non-voting ex-officio members. Membership consists of a cultivated diverse group of entrepreneurs representing a cross section of Maryland’s small business community, State legislators, government agency leaders, and business advocates. (See Appendix A)

Commission members are appointed by the Governor to serve up to two consecutive three year terms. The terms of the members are staggered based on the initial June 11, 2010 term.

The Commission is chaired by Ackneil M. Muldrow II, CEO of ParkerMuldrow & Associates and former President and CEO of the Development Credit Fund. He is Chairman, Past President and CEO of the Baltimore Marketing Association and President of the Baltimore Efficiency and Economy Foundation. Mr. Muldrow is a graduate of North Carolina A&T State University and a resident of Baltimore City.

The Commission is co-chaired by Karen Barbour, President of The Barbour Group LLC, an independent insurance agency focusing on surety bonding and commercial insurance for the construction industry on a national basis, from Alaska to Puerto Rico and internationally in four countries. Ms. Barbour earned a B.A. from Loyola College and an M.B.A. from the University of Baltimore. Ms. Barbour is a resident of Carroll County.

### **Membership Update**

The Commission welcomed Zenita Wickham Hurley appointed by Governor Martin O'Malley as Special Secretary of the Governor's Office of Minority Affairs in February 2012. She is responsible for policy and oversight of the State's Minority Business Enterprise (MBE) Program. Ms. Hurley coordinates MBE Program accountability activities with over 60 State procurement agencies while working with Maryland's business community to expand opportunities for minority and women-owned firms.

The Commission also welcomed Scott R. Jensen, currently serving as the Acting Secretary for the Department of Labor Licensing and Regulation (DLLR) since May 2012. Before his tenure at DLLR, he worked for Salisbury University, where he was responsible for creating and maintaining mutually productive relationships with the University's national, State, and local public partners.

## **Structure**

### **Sub-Committee Workgroups**

The Commission is structured into five sub-committees each concentrating on a priority area and tasked with identifying needs and major issues of importance to small businesses. Each sub-committee focus is outlined below (See Appendix B):

#### **•Executive**

The Executive sub-committee focuses on improving the perception of State government and improving the quality of customer service provided by State agencies. It promotes effective communication between State agencies and small businesses, and oversees the implementation of Small Business Task Force recommendations and the overall work of each sub-committee.

•***Capital Needs for Sustainable Growth***

This sub-committee seeks to improve the ability for small businesses to access capital.

•***Regional & Global Market Access***

This sub-committee focuses on business acquisition of products and services within local, State, federal and global markets; examines barriers to accessing federal, State, local, and international procurement opportunities and determines how to achieve greater access.

•***Business Competitiveness***

This sub-committee examines the factors impacting the competitiveness of Maryland small businesses and recommends ways to address challenges, capitalize on Maryland's competitive advantage and focus on issues related to labor, licensing, regulation, compliance, taxes, and transportation.

•***Workforce Development & Training***

This sub-committee focuses on the availability of workforce training programs to assist employers with hiring well-qualified staff. It also works to recommend partnerships with government, academia, vocational training providers and employers to generate a revolving pool of skilled staff for new and existing small businesses, and provide innovative training.

## The Year in Review

### **Commission Activities**

To date, the Commission has conducted a total of seven meetings since June 2011. All regular meetings were held bi-monthly at DBED's Headquarters located at the World Trade Center, 401 East Pratt Street, Baltimore, Maryland with Town Hall meetings taking place throughout the State.

### **Regular Meetings**

The Commission has convened five regular meetings to gather knowledge and share information. The Commission invited small businesses to meetings as an opportunity for them to present their company, share success stories, discuss concerns, and offer suggestions as to how the Commission and the State might better assist them. DBED and other State agencies also provided departmental updates at the regular meetings. Such information included new initiatives, agency changes, legislative reports and other pertinent news impacting the small business community.

### **Agency Meetings**

Commissioners met with various state agencies to include: The Department of Labor, Licensing, and Regulation (DLLR), The Governor's Office of Minority Affairs (GOMA), Maryland

Occupational Safety and Health (MOSH), and State Department of Assessment and Taxation (SDAT). These meetings forged relationships, provided information, and an opportunity for Commissioners to learn about specific agency policies, practices, and initiatives helpful or disadvantageous to small businesses. The Commission seeks to promote cooperative and constructive relationships between State agencies and the small business community to ensure communication, coordination, and implementation of Statewide strategies that benefit Maryland small businesses.

### **Town Hall Meetings**

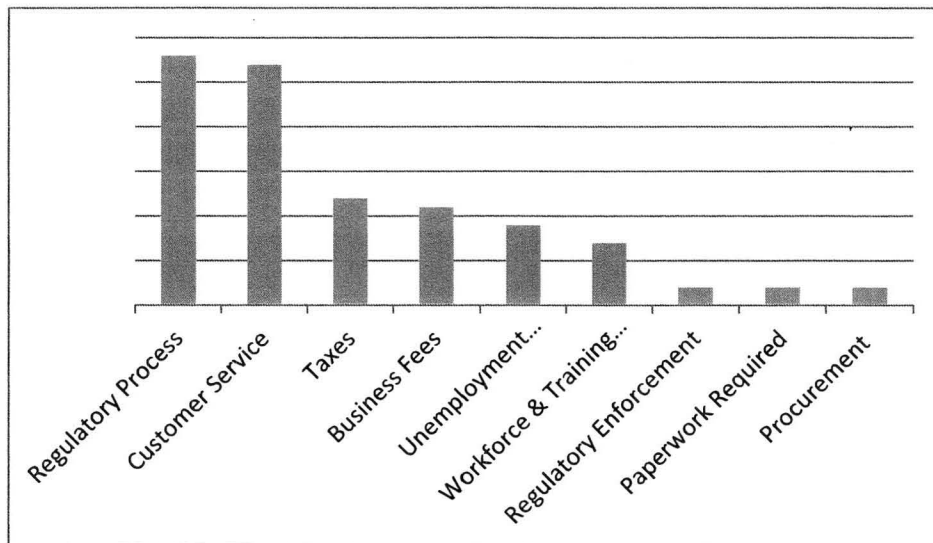
The Commission conducted town hall meetings throughout the State for small businesses to articulate and address barriers to growth. The Commission's first town hall meeting was held at Chesapeake College on October 11, 2011 in Wye Mills, Maryland in Talbot County. Approximately 50 attendees participated. The second town hall meeting took place in the City of Frederick at the Weinberg Center for the Arts on April 23, 2012. This event had over 100 small businesses in attendance from Frederick, Washington, Allegany, Garrett counties and Virginia. The event also had the support and participation of 20 public and private agency/organization panelists to address questions and concerns from the small business community. The Commission will continue conducting town hall meetings in each region of the State to increase their visibility as small business advocates and broaden opportunities for businesses to express their concerns. Town hall meetings are an invaluable exchange for direct communication with the small business community and an opportunity for disseminating information about State and local programs and initiatives. The next town hall is scheduled to take place in Southern Maryland.

### **Small Business Survey Results**

In another effort to vary and broaden small business communication, the Commission created and distributed (with the help of economic development partners, chambers of commerce, and associations) a Small Business Survey to gather specific data from small businesses regarding their concerns. The survey was distributed to a cross section of businesses industries resulting in over 200 responses.

Survey responses were tabulated and analyzed with the results then reported to the Commission. Survey findings consistently echoed prevailing issues from small businesses. The survey revealed that the most pressing issues affecting Maryland small businesses weighed most heavily in the areas of regulatory processes and customer service with other issues related to taxes, business fees, the unemployment insurance tax rate, and paperwork being less prominent. The Chart below shows small business survey responses in the order of priority.

### Major Small Business Issues



The survey concluded the following prioritized small business issues:

- ❖ The regulatory process contains complicated codes, difficult, restrictive regulations.
- ❖ Customer Service interaction with government staff was described as unprofessional, unknowledgeable, unhelpful, and discourteous.
- ❖ Taxes are superfluous for small businesses (sales tax, vending, alcohol sales, business property, etc.)
- ❖ Fees are exorbitant for operating a business, i.e. (scrap tire, licensing costs, renewals, and certifications)
- ❖ Unemployment insurance tax rate is excessively high causing small businesses to work with smaller staffs.
- ❖ Workforce and training programs no longer exist to help employers train or hire additional qualified staff.
- ❖ Employers are unable to find technical and skilled labor to fill positions.
- ❖ Regulatory enforcement is equally as costly as maintaining regulations when fined for non-compliance penalties. In some areas over-regulation for specific industries exists,

i.e. Maryland Home Improvement; while in other industries- there is little to no regulation, i.e. tree cutting.

- ❖ Excessive paperwork is duplicative from agency to agency, time-consuming, and burdensome. Electronic processing options are unavailable.
- ❖ The procurement process requires the lowest bid to capture contracts as a prime contractor limiting opportunities for minorities to obtain substantial procurements.

### **Boards & Commission Collaboration**

The Maryland Economic Development Commission (MEDC) is the umbrella Commission established to create economic development policy in the State and oversight of DBED boards and commissions efforts supporting job creation, business attraction and retention. DBED actively seeks economic development policy and program expertise from diverse business owners and industry representatives. DBED currently has 12 public boards and commissions inclusive of the newly reinstated Maryland Advisory Commission on Manufacturing Competitiveness (MACMC).

While each board and commission is tasked with a specific mission and purpose, they are jointly committed to one common goal; fostering increased interaction and collaboration between the State of Maryland, private companies, federal and local government, and assisting in establishing economic policy to enhance business opportunities for Maryland businesses. This is best accomplished when boards, commissions, and State agencies collaborate. The significance of collaboration was demonstrated by MEDC's Business Climate Workgroup and the Commission's shared awareness regarding customer service within State government as it is a resounding topic from entrepreneurs adversely impacting their ability to effectively do business with the State of Maryland. The MEDC's Commissioner Seth Goldman, President and TeaEO of Honest Tea initiated a customer service study conducted by several American University students. Mr. Goldman and the students presented the study results to DBED management which revealed obvious deficiencies affecting DBED's ability to provide satisfactory customer service. DBED's management immediately responded to the study findings. DBED made changes to the phone system to ensure phone calls were received directly by a staff person. In addition, voice mail messages received a follow-up response within 24 hours. Beginning July, DBED will implement Salesforce Training for staff.

Collaboration among boards and commissions gives greater insight to the needs and concerns of small businesses and builds alliances supportive of concerted participative efforts necessary for invoking changes, compelling improvements, and establishing the most effective small business policy.

### **Legislative Advocacy**

The Commission's charge to oversee and advocate requires the assistance of DBED's Office of Policy and Government Affairs (OPGA). OPGA works with the Commission to educate members on legislation that affects small businesses. OPGA is instrumental in helping the Commissioners become involved in the legislative process by providing direction for recommendations requiring legislation. The Commission along other boards and commissions recently participated in a legislative meeting conducted by OPGA to discuss and prepare legislative policy recommendations for the 2013 General Assembly.

## **Summary Recommendations**

The Commission has worked diligently to identify key issues and concerns from small business owners during the year's activities and to formulate recommendations. The following recommendations are a compilation of information acquired from town hall meetings, small business presentations, discussions with associations, academic and economic development professionals, government agency staff, legislators, and responses derived from the Commission's Small Business Survey. The following recommendations represent priority issues and challenges currently experienced by the small business community. The Commission's work going forward will entail further development and implementation of the following recommendations in the forthcoming 2013 Commission Strategic Plan.

**Recommendation 1:** Create a centralized business to business network for the business community to communicate to share information, explore opportunities, collaborate, partner, and/or exchange ideas.

**Recommendation 2:** Develop a standard definition(s) for a Maryland "small business" to eliminate conflict for determining how businesses should be categorized in establishing eligibility requirements and provide businesses with a gauge to determine their growth. The definition (s) may seek to define small business stages of growth i.e. (micro, small, medium, and large) categorized by the number of employees, industry, or revenue

**Recommendation 3:** Revive mandated agencies' efforts and expand all Maryland agencies' efforts to communicate information affecting small businesses in other languages and/or provide access to interpreters, translators, website links or foreign language versions as a required public service to include Maryland applications, testing and licensing.



**Recommendation 4:** Increase the district court jurisdiction of small claims limit from \$5,000 to \$20,000 to allow business owners the opportunity to have their case heard without the need for legal representation allowing them to avoid the costs of retaining legal counsel.

**Recommendation 5:** Establish a program incentivizing micro businesses to create jobs, expand, and relocate to Maryland.

**Recommendation 6:** Facilitate and organize a financial forum for financial institutions, lenders (public/private), funding entities and small businesses to address the issues preventing small businesses from accessing capital, identify ways to remove barriers and improve eligibility, and introduce non-traditional financing options for small businesses to learn about alternate funding sources and financial incentives available beyond traditional lenders.

**Recommendation 7:** Create incentives for foreign banks to establish financial institutions in Maryland to provide access to capital for ethnic minority owned businesses starting and/or relocating to Maryland from abroad.

**Recommendation 8:** Work with the Department of General Services (DGS) to review regulations for establishing a procurement preference for prime contractor small businesses headquartered in Maryland, owned by a Maryland resident and employing Maryland resident(s) to stimulate local employers, employment, strengthen local companies and benefit local entrepreneurs.

**Recommendation 9:** Work with the Department of General Services (DGS) to extend the SBR certification time period from the current 1 year to a 2 year term to avoid frequent fallout from the registry for non-registration renewal and extend procurement opportunities.

**Recommendation 10:** Inform and provide assistance to employers by providing workforce development and training ombudsman (direct assistance from DBED's Office of Small Business) to meet and provide small businesses one on one service through State agencies and processes related to workforce needs.

**Recommendation 12:** Replenish funding for the Maryland Industrial Training Program (MITP) with \$5 million and Partnership for Workforce Quality (PWQ) with \$500,000 to provide employers with assistance in upgrading employee skills and hiring to maintain competitiveness.

**Recommendation 13:** Establish a new fund for leadership and professional management development training for management advancement and the onset of new entrepreneurs.

## Next Steps & Implementation - Customer Service Task Force

The Commission strongly recommends implementing a Customer Service Task Force to improve customer service with an Executive Order. The Commission would then work with DBED to assist the Task Force.

### *Next Steps:*

#### **Task Force Member Composition**

Task Force members would be appointed by the Governor to include private-sector business leaders and at least two agency staff-represented by a management designee and a non-management staff person. Initially the participating agencies would represent the agencies directly participating with Maryland Made Easy (MME). At a later date, all State agencies would be involved in the initiative.

#### **Task Force Existence**

The Task Force would be engaged no longer than 1 year.

### *Implementation:*

#### **Task Force Charge**

The Task Force will be charged with:

- Developing customer service measurements for customer feedback and complaints
- Reviewing of all agency websites and evaluate accessibility and ease of information and recommend solutions
- Reviewing of all agency telephone systems processing customer calls, and evaluate accessibility and flow of communication and recommend solutions
- Observing and assessing the customer service experience within in each agency and recommend solutions
- Learning, studying, reviewing, implementing and exercising best practices for delivering exceptional customer service.
- Identifying techniques and solutions for employee training (i.e. webinars, customer reviews, etc.)
- Incorporating recommendations and implementation of best practices into an action plan for review by agency leaders and the Governor.

**Task Force End Results:** The end results of Maryland initiating a plan to improve customer service within State government are:

- Creation of a customer service standards model

- Adoption of a Statewide policy implementing customer service standards
- Streamlined processes to reduce costs, increase quality, and improve turnaround times
- Easy access to resources and services
- Friendlier, helpful service
- Open communication from the small business community and constituents
- Customer loyalty and confidence
- Increased staff knowledge, professionalism, and productivity
- Mandatory on-going training for staff and management
- Standard performance measurement procedures for continuous improvement
- Establishing a customer focused government culture
- Establishing a statewide commitment to quality service delivery
- Establishing a reward system acknowledging outstanding customer service
- Improved business attraction and retention
- Improved State reputation for business friendliness
- Making Maryland #1 for opportunity to experience superior Customer Service

### **Conclusion**

The Commission thanks you for the opportunity to provide input on issues of major importance to Maryland's small businesses. In the months ahead, the Commission will work to develop a legislative agenda for approved recommendations outlined in this report. The Commission has determined the need for a Customer Service Task Force to be a priority issue requiring your immediate attention. Moving forward to create this initiative is a direct response to addressing an immediate impediment confronting the small business community. This initiative can yield evident favorable results for small businesses and the State. The Commission looks forward to the years ahead as it continues to advocate for small businesses in Maryland.

Appendices

**APPENDIX A**

**GOVERNOR'S COMMISSION ON SMALL BUSINESS MEMBERS**

**Commissioners**

**Ackneil M. Muldrow II, Chair**

CEO, ParkerMuldrow & Associates

**Karen Barbour, Co-Chair**

President, The Barbour Group, LLC

**Barbara I. Berschler, Esquire**

Press, Potter & Dozier, LLC

**Roland O. Campbell**

President/CEO, ROC Realty Group

**Edward L. Dopkin**

Partner/Vice President Classic Catering

**James A. Dula**

Chief Executive, Independent Consulting Services

**Annie Geiermann**

Senior Vice President, The Columbia Bank

**Riche Holmes Grant, Esq.**

President, Innovative Study Techniques, LLC

**Manuel Hidalgo**

Executive Director  
Latino Economic Development Corporation

**Wonro Lee**

President & CEO, J.G. Merchant Sales & Service

**The Honorable Randy McClement**

Mayor of the City of Frederick

**Jorge Restrepo**

President, Eurekafacts, LLC

**Deborah Stallings**

President, HR Anew, Inc.

**Jay Steinmetz**

President, Barcoding, Incorporated

**R. Wayne Strausburg**  
Director of Administration, Wicomico County  
**William Yerman**  
Chief Executive Officer, The Strata Group

### **Legislators**

**Senator Barry Glassman**  
Maryland Senate

**Senator James N. Mathias, Jr.**  
Maryland Senate

**Delegate Adrienne A. Jones**  
Maryland House of Delegates

**Delegate Steven R. Schuh**  
Maryland House of Delegates

### **Ex-Officio Members**

**Alvin C. Collins**  
Secretary, Department of General Services (DGS)

**Zenita Wickham Hurley**  
Special Secretary, Governor's Office of Minority  
Affairs (GOMA)

**Christian Johansson**  
Secretary, Maryland Department of Business &  
Economic Development (DBED)

**Scott R. Jensen**  
Acting Secretary, Maryland Department of Labor, Licensing & Regulation (DLLR)

**Raymond A. Skinner**  
Secretary, Department of Housing & Community,  
Development (DHCD)

**Renee Sprow**  
State Director, Maryland Small Business  
Development Center Network (SBDC)

**Stephen Umberger**  
Director, United States Small Business  
Administration, Baltimore District Office

## APPENDIX B

### SUBCOMMITTEE ASSIGNMENTS

#### Subcommittee I: Business Competitiveness

**Jay Steinmetz, Chair**

President, Barcoding, Inc.

**Barbara Berschler, Co-Chair**

Press, Potter, & Dozier, LLC.

**Roland O. Campbell**

President/CEO, ROC Realty Group

**The Honorable Randy McClement**

Mayor of the City of Frederick

**Scott R. Jensen**

Acting Secretary, Maryland Department of Labor, Licensing & Regulation (DLLR)

**Delegate Steven R. Schuh**

Maryland House of Delegates

**R. Wayne Strausburg**

Director of Administration, Wicomico County

#### Subcommittee II: Capital Needs for Sustainable Growth

**Annie Geiermann, Chair**

Senior Vice President, The Columbia Bank

**Wonro Lee, Co-Chair**

President & CEO, J.G. Merchant Sales & Service

**Manuel Hidalgo**

Executive Director, Latino Economic Development Corporation

**Dawn Medley (Representing DHCD)**

Director, Department of Housing & Community Development

**Raymond Skinner**

Secretary, Department of Housing & Community Development

**Renee Sprow**

State Director, Maryland Small Business Development Center Network (SBDC)

**Stephen Umberger**

Director, United States Small Business Administration, Baltimore District Office

#### Subcommittee III: Executive

**Ackneil M. Muldrow, Chair**

CEO, ParkerMuldrow & Associates

**Karen Barbour, Co-Chair**

President, The Barbour Group, LLC

**Annie Geiermann**

Senior Vice President, The Columbia Bank

**Jorge Restrepo**

President, EurekaFacts, LLC

**Jay Steinmetz**

President Barcoding, Inc.

**James Dula**

Chief Executive, Independent Consulting Services

**Subcommittee IV: Regional & Global Market Access**

**Jorge Restrepo, Chair**  
President, EurekaFacts, LLC

**Debra Stallings, Co-Chair**  
President, HR Anew, Inc.

**Roland O. Campbell**  
President & CEO, ROC Realty Group

**Alvin C. Collins**  
Secretary, Maryland Department of General Services

**Zenita Wickham Hurley**  
Special Secretary, Governor's Office of Minority Affairs

**Renee Sprow**  
State Director, Maryland Small Business Development Center Network (SBDC)

**Subcommittee V: Workforce Development & Training**

**James A. Dula, Chair**  
Chief Executive, Independent Consulting Services

**Edward L. Dopkin, Co-Chair**  
Partner/Vice President Classic Catering

**Riche Holmes Grant, Esquire**  
President, Innovative Study Techniques, LLC.

**Delegate Adrienne A. Jones**  
Maryland House of Delegates

**Jorge Restrepo**  
President, EurekaFacts, LLC

**Scott R. Jensen**  
Acting Secretary, Maryland Department of Labor, Licensing & Regulation (DLLR)

**Deborah Stallings**  
President, HR Anew, Inc.

**William Yerman**  
Chief Executive Officer, The Strata Group

## **APPENDIX C**

### **GOVERNOR'S COMMISSION ON SMALL BUSINESS STAFF Maryland Department of Business & Economic Development**

#### **Office of Boards & Commissions**

**Michelle Jackson**  
Director

**Matthew Schmid**  
Assistant Director

**Stacey Harvey-Reid**  
Program Manager

**Linda McNeal**  
Management Associate

#### **Office of Policy & Legislative Affairs**

**Rhonda Ray**  
Director

**Sandra L. Popp, Esq.**  
Assistant Director

#### **Division of Marketing & Communications**

**Wanda Wickham**  
Assistant Director for Public & Media Relations

#### **Maryland Department of Housing & Community Development**

**Dawn Medley**  
Director, Business Lending Programs



## APPENDIX D

### GOVERNOR'S COMMISSION ON SMALL BUSINESS REPORT SOURCES

1. Data are from the 2008 Survey of Business Owners from the U.S. Census Bureau.
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5. [www.opm.gov/perform/wppdf/custdoc](http://www.opm.gov/perform/wppdf/custdoc)
6. [www.prnewswire.com/news-releases/governor-corbett-announces-his-reform-plan](http://www.prnewswire.com/news-releases/governor-corbett-announces-his-reform-plan)
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9. [Oregon.gov/DAS/docs/HB5002](http://Oregon.gov/DAS/docs/HB5002)
10. [www.rockvillemd.gov/government/customerservice](http://www.rockvillemd.gov/government/customerservice)
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12. "Best Practices in Public Agency Customer Service" ([www.comcate.com](http://www.comcate.com))
13. "A New Operating System for Government" by Jim Chrisinger, October 5, 2011, ([www.governing.com](http://www.governing.com))
14. "Customer Service in the Public Sector, Part I" by Richard Barton, ([www.apo-tokoyo.org](http://www.apo-tokoyo.org) 5/22/2012)

# END OF REPORT

## A Report of the Governor's Commission on Small Business



MARYLAND OF OPPORTUNITY.

Department of Business & Economic Development