



# DEPARTMENT OF COMMERCE

State of the Agency

Secretary Hugh McDonald

August 25, 2023

# Why We Exist

- Grow the Arkansas economy.
- Accelerate demand -driven workforce development.
- Facilitate a balanced regulatory climate that protects the Arkansas consumer.
- Efficiently and effectively implement federal and state workforce services programs.



# Who We Are



# SECRETARY OF COMMERCE

HUGH MCDONALD

## COMMERCE STAFF LEADERSHIP

<p><b>CHIEF OF STAFF</b></p> <p><b>ALLISON HATFIELD</b></p> <ul style="list-style-type: none"> <li>Coordinates with Secretary's Office staff and Division Directors, serving as resource on all Department of Commerce issues</li> <li>Assists Division Directors to improve operations performance</li> <li>Identifies opportunities for inter-division collaboration</li> <li>Serves as AEDC General Counsel</li> </ul>	<p><b>CHIEF LEGAL COUNSEL</b></p> <ul style="list-style-type: none"> <li>Oversees legal issues</li> <li>Monitors investigative matters</li> <li>Provides reviews on rules, legislative proposals and FOIs</li> </ul>	<p><b>MARKETING &amp; COMMUNICATIONS DIRECTOR</b></p> <p><b>CLARK COGBILL</b></p> <ul style="list-style-type: none"> <li>Manages Commerce Division communication</li> <li>Oversees Commerce Division branding</li> </ul>
<p><b>CHIEF LEGISLATIVE AFFAIRS &amp; POLICY DIRECTOR</b></p> <p><b>TUCKER BRACKINS</b></p> <ul style="list-style-type: none"> <li>Monitors legislative and policy issues for the Department of Commerce</li> </ul>	<p><b>CHIEF FINANCIAL OFFICER</b></p> <p><b>DAVID BELL</b></p> <ul style="list-style-type: none"> <li>Oversees budgets, payables, procurement, travel and fleet</li> <li>Oversees Commerce Building</li> </ul>	<p><b>STATE BROADBAND DIRECTOR</b></p> <p><b>GLEN HOWIE</b></p> <ul style="list-style-type: none"> <li>Manages Arkansas State Broadband Office</li> <li>Directs Arkansas Rural Connect Grant Program</li> </ul>
<p><b>EXECUTIVE ASSISTANT</b></p> <p><b>MELISSA ADAMS</b></p> <ul style="list-style-type: none"> <li>Manages day-to-day of Commerce Secretary, including scheduling, travel and flow of information</li> <li>Provides support to Executive Leadership of the Office of the Secretary</li> </ul>	<p><b>HUMAN RESOURCES</b></p> <p><b>DECARLIA SMITH</b></p> <ul style="list-style-type: none"> <li>Manages Human Resource activities for the Department of Commerce</li> </ul>	

## COMMERCE DIVISIONS LEADERSHIP

<p><b>AERONAUTICS</b></p> <p><b>JERRY CHISM</b></p>	<p><b>ARKANSAS DEVELOPMENT FINANCE AUTHORITY</b></p> <p><b>MARK CONINE</b></p>	<p><b>ARKANSAS ECONOMIC DEVELOPMENT COMMISSION</b></p> <p><b>CLINT O'NEAL</b></p>
<p><b>ARKANSAS WINE PRODUCERS</b></p>	<p><b>BANKING &amp; SECURITIES</b></p> <p><b>SUSANNAH MARSHALL</b></p>	<p><b>INSURANCE</b></p> <p><b>ALAN McCLAIN</b></p>
<p><b>SKILLS DEVELOPMENT</b></p> <p><b>CODY WAITS</b></p>	<p><b>WATERWAYS</b></p> <p><b>CASSANDRA CALDWELL</b></p>	<p><b>WORKFORCE SERVICES</b></p> <p><b>CHARISSE CHILDERS</b></p>



# Who We Are

## DEPARTMENT EMPLOYEE BREAKDOWN

1128 full -time employees

- Division of Workforce Services – 65%
- State Banking Department/Securities Division and Insurance Department – 23%
- ADFA, AEDC, Aeronautics, OSD, and Waterways – 12%



# Department of Commerce Strategic Plan

## STATE OF ARKANSAS PRIORITIES

- Improve education and workforce development outcomes
- Safe neighborhoods
- Grow economy through economic development and tax cuts

## DEPARTMENT OF COMMERCE PRIORITIES

- Continuous improvement culture
- Facilitate an increase in capital investment, number of jobs created and the per capita income of Arkansans by positioning our state to achieve success in the growth of existing companies, recruiting new companies and by assisting entrepreneurs.
- Deliver demand -driven workforce development outcomes.
- Protect the consumer through balanced Insurance, Banking & Securities regulation.



# Mid - Year Progress Report

## ORGANIZATION STRUCTURE/CONTINUOUS IMPROVEMENT

- Consolidated Banking and Securities to one division.
- Transfer of TANF to DHS.
- Moving toward effective shared service organization (consistent with regulatory requirements)
  - Communications
  - IT
  - Fiscal
  - HR
  - Procurement
  - Legal
- More rigorous and consistent review of contract and purchase order approval.
- DIS involvement on all IT applications and systems.
- All loan and bond guarantee work moved to ADFA.
- 2023-2024 goals established for each Commerce divisions and executive staff.



# Mid - Year Progress Report

## ORGANIZATION STRUCTURE/CONTINUOUS IMPROVEMENT

- DWS internal and external operations moved under one leader.
- Greater DWS focus in improving hold time for call center.
- Instituted Commerce executive steering committee to increase pace of modernization.
- Instituted Commerce steering committee with monthly reporting on broadband planning and implementation.





# Mid - Year Progress Report

## ECONOMIC DEVELOPMENT

- New Entrepreneurship and Small Business Group
- State Small Business Credit Initiative (SSBCI)
- \$10M site infrastructure fund
- 1,102 new jobs with average hourly wage of \$28.32, \$1.2B new capital investment

## WORKFORCE DEVELOPMENT

- Steelmaking Academy involving five NE Arkansas two -year colleges
- State and local workforce boards began collaboration on future workforce development system, reform and alignment of existing system with region/employer needs



# Now & Future

## ORGANIZATION STRUCTURE/CONTINUOUS IMPROVEMENT

- Complete strategic plan and cascade goals & objectives down the organization.
- Quarterly Commerce wide KPI performance monitoring process.
- Fleet utilization improvement.
- Establish objective procurement spend savings target.
- Boston Consulting Group strategic review of Commerce.
- Employee development, engagement and safety.
- 360 Degree survey for all Commerce leadership.
- Continued organizational efficiency and effectiveness initiatives.
- Various compensation/pay grade adjustments to provide organization stability, slow turnover, workflow effectiveness.



# Now & Future

## ECONOMIC DEVELOPMENT

- Economic development strategic review
  - Competitive analysis of economic development incentives
  - Statewide talent attraction strategy
  - Supersite evaluation for the state
  - Update target industries
- Implement Entrepreneurship and Small Business Plan of Work
- CHIPS Act Statewide Consortium



# Now & Future

## WORKFORCE DEVELOPMENT

- Expansion of apprenticeships aligned with industry demand.
- Workforce Board alignment, reform and refocus on employer needs.
- Complete UI modernization.

