



Meetings with Managers: New Hanover County

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Last Friday I had a nice conversation with Bruce Shell, the New Hanover County Manager. Bruce served the county for 22 years as Finance Director before becoming the manager. He describes himself as “an old bean counter.” The county has been dealing with tough fiscal issues for some time now. Two years ago the tax office made an error in their revenue estimate that produced a significant shortfall that was discovered after the budget had been adopted. They have reduced the county workforce by 8.2% over the past two years through a combination of early retirement, eliminating vacant positions, and layoffs. When combined with the broader problems in the economy, this year they have pulled more money out of their fund balance and required furloughs that translated into a 3.5% pay cut for every county employee. The county commissioners also reduced the school budget by 5% this fiscal year. They imposed a hiring freeze that is subject to case-by-case exceptions. Bruce says that he anticipates a \$9-10 million hole in New Hanover County’s budget for next year. And they still paid our membership dues—I thanked him so much.

One of their most pressing issues is communication with their own employees, especially around issues of organizational change. Like Greensboro, the county does a lot of in-house, face-to-face training for its employees—they also have an Internet University with classes for employees. Bruce talked about a recent training session on change that was provided by an outside group. One of their main points was that management typically works through all of the issues around a change proposal and then makes a recommendation to their employees—the problem is that employees are



at the beginning of the change curve and management is farther along the curve because they have been working on the proposal for some time. Bruce is taking a number of steps to communicate with employees so that they know about issues and have input earlier in the change process. Members of his leadership team will be going out to meet with each department so that “they know what we know,” and so they can offer feedback on issues. He also has instituted something called “Table Talk” where 15 employees from across the entire organization (1500 employees) join him for a lunch where the only rule is “everyone must be respectful.”

Bruce didn't mention unions as a concern, but in response to my question he indicated “a huge concern about collective bargaining.” He does not have experience in working with a union. One of his main concerns is that public employee unions will “drive up the cost of doing business.” Bruce says that 85% of what counties do is mandated, and conservative county commissioners are more likely to reduce discretionary services than increase taxes if collective bargaining raises the cost of doing business.

When asked about *Popular Government*, Bruce indicated that he “doesn't read it regularly, which isn't necessarily because it doesn't have value.” He has “always thought of it as a trademark” for the School, and he would hate to see it go. “It has good pictures and the articles are well done.” Bruce described himself as working a lot of hours and not having time for much extra reading—he indicated that he might not be a good one to judge *PG* for that reason. Unfortunately, I think he is fairly representative in terms of how much time he has for reading that is not directly related to his job. Bruce believes that we need to move to an electronic model because our public official audience is increasingly unlikely to seek out general information in print publications. For example, he suggests that we break out the articles (though probably make them shorter) by subject-matter categories and use our different listservs to send the electronic links to relevant audiences. We should “tailor information to the appropriate audience.” In terms of our existing publications, Bruce specifically mentioned that we could increase our impact by updating *Local Government Finance in North Carolina* by David Lawrence—“the old bean counter” believes it has an impact beyond finance officials.

A quick look at the front page of the [New Hanover County website](#) shows that they are trying to push messages out to their citizens. They have a link to four different blogs, for example, including one from county commissioners. Citizens can submit questions and they will be answered by county commissioners—one responds to a question about whether forced annexation can be stopped. There is a link so that citizens can receive information about the county on Twitter. The main webpage also asks county residents how much they know about local government in North Carolina. It includes a link to the new edition of Gordon Whitaker's *Local Government in North Carolina* that can be downloaded from the [NC City & County Management Association website](#). Way to go Gordon!