

FOR COUNTY DEPARTMENT HEADS, AN EXIT SIGN

By Helen Colwell Adams, Sunday News
Appeared on September 02, 2006

LANCASTER COUNTY, PA - Lancaster County's Web site lists 25 departments that report to the county commissioners.

Since the beginning of 2004, 16 key employees in those offices — department heads and directors — have left, by retirement, resignation, downsizing or firing. And that doesn't include other high-profile officials who quit just before the change in elected administration at the start of 2004.

One source calculates the turnover rate for department heads at nearly 50 percent. "Exodus comes to mind," the source said. Dissatisfaction about the turnover rate among department heads and directors has been rumbling through the courthouse and through local politics since the new board of commissioners, then led by Commissioner Pete Shaub, took office.

But the Aug. 17 departure of Jill McVey, director of the Children & Youth Agency, who described her "retirement" as forced by county officials, brought the issue to a head. Commissioners Dick Shellenberger and Molly Henderson, the voting majority on the board, defend the turnover as normal and say the county is getting good candidates to replace the departed managers.

Others involved in search committees disagree, saying there has been a dearth of qualified applicants. Employee turnover is inevitable in any organization, but former commissioners contend the rate since 2004 is extraordinary.

"That's a tsunami of a turnover," said former commissioner Paul Thibault. And human resources experts said a turnover rate among department heads of nearly 50 percent is normally unhealthy — and costly.

"At a minimum, it costs you six months' worth of someone's compensation when they leave," said David Lewis, president of the OperationsInc consulting firm in Stamford, Conn., just to get back to the level of performance at the time the employee left. Turnover is also bad for morale, the human resources consultants said.

Lower-level county employees in departments that report to the commissioners seem shell-shocked. Some said they don't know whether they'll have a job when they come to work each day. Speculation is widespread that more department heads are facing the ax.

Former commissioner Ron Ford noted another problem. "We don't seem to be getting a clear explanation for why people are departing," he said. The exodus of employees started, according to sources and published reports, even before Shaub, Shellenberger and Henderson took office.

June Mengel, then director of the Agricultural Preserve Board, resigned at the end of 2002, reportedly because of dissatisfaction with Shaub, then the minority commissioner on a board led by Thibault and Ford.

In early 2003, Julian S. Boryszewski, who had been hired eight months earlier to head the parks department, left — amid rumors about a clash with Shaub.

Indeed, most of the 2004 resignations and retirements were blamed on

Shaub's management style. County administrator Timi Kirchner, who also clashed with Shaub, was among the first to leave, in January. The commissioners' chief clerk, Terry Styer, left in May, saying later that she couldn't work with Shaub.

An even bigger earthquake hit when planning director Ron Bailey, a nationally recognized authority, quit in November. He recently took a similar job in Chester County. One of Bailey's aides, Phyllis Stellfox, the planning commission director of economic development, left in January 2005. Nancy Williams, the commission's director of long-range planning, resigned a year later.

But by 2005, Shaub was out as chairman; Shellenberger took over, with support from Henderson, leaving Shaub as the minority commissioner. And the exodus has continued.

McKinley Generette, director of the Youth Intervention Center, was fired in June 2005, reportedly by the county's chief services officer, Gary Heinke. Shortly before his departure, three of Generette's aides at the YIC were fired. Generette got a \$150,000 settlement from the county's insurance carrier after he alleged wrongful termination.

On Oct. 1, 2005, Conestoga View, the county nursing home, was sold to Complete HealthCare Resources, and administrator Jennifer Zufall no longer worked for the county. By late October, Heinke had quit after questions were raised about the accuracy of his resume. That case is still being investigated by a county grand jury.

John Hoogerwerff, director of veterans' affairs, retired in December 2005, a situation sources attributed to "a commissioner problem." Hoogerwerff wasn't available for comment last week.

And solicitor John Espenshade, who was a county employee while also a member of the Stevens & Lee law firm, resigned in December after Henderson and Shellenberger contended he had a conflict of interest in representing the Lancaster County Convention Center Authority.

In January 2006, Rich Doenges, who replaced Mengel at the ag preserve board, resigned to return to Washington state. J. Thomas Myers, the human resources director, resigned in February 2006, three months after completing a report into the hiring of Heinke that was critical of Shaub and Shellenberger for early contacts with Heinke.

In March, Randy Patterson, the longtime head of the county housing and redevelopment authorities — separate from the commissioners but acting on behalf of the county — left to take a job with the new Lancaster city administration of Mayor Rick Gray.

In July, Penn Ketchum, director of the office of Mental Health/Mental Retardation, announced his resignation effective later this month to concentrate on the movie theaters he is building near the county airport.

And on Aug. 17, McVey's retirement after 35 years with the county was announced — although she said afterward that she was forced to leave. "Very normal"? Shellenberger said in a statement Friday evening that the turnover, which he pegged at 16 top employees, isn't unusual.

"Bonnie Ashworth, acting director of human resources for the county [replacing Myers], informed the board of commissioners that this is a very normal rate of personnel changes," he wrote. "We all know that the

'baby boomers' are approaching retirement, or have put in years equivalent for retirement.

"Three of the 16 positions were eliminated, two were due to lack of federal funding for the Youth Intervention Center, and one as a result of the privatizing of Conestoga View Nursing Home. One moved out of the area. One left due to an unsatisfactory performance; and there have been five retirements, and five resignations."

Henderson concurred: "The county personnel changes are within the normal rate and not out of line with other governmental levels; for example, at the city there has been a complete turnover of the top five managers in eight months, and at the state level department changes are ongoing.

"The new county managers have often come from existing staff and are serving the citizens well." Gray, a Democrat, said he didn't see many similarities between the changes since he took office in January and the county's turnover. Two of those who left the city were politically active for the previous Republican administration, and the others either retired or had better job opportunities, he said. "I don't recall anybody leaving with the animosity that has been going on" at the courthouse, Gray said.

"We haven't lost anybody who was nationally recognized as a leader in his field who resigned in disgust. We haven't told anybody working in a nonpolitical position for 35 years to clear out their desks and get out of here."

Shaub argued that "I have been the minority commissioner for two years. My recommendations on almost every issue have not been taken into consideration by Commissioner Shellenberger and Commissioner Henderson."

Shellenberger said the county is "getting excellent applications for people who want to work for Lancaster County." But two other officials serving on search committees to fill vacancies disagreed, saying the field of applicants has been slim. "What person in their right mind" would want a job under these conditions, Thibault wondered.

"There is no question the quality of work coming out of county government suffers due to the difficulty in hiring," one source said.

Former commissioners disagreed that the turnover is normal. "Obviously it's unusual," said Ford, who left office at the end of 2003. Thibault concurred.

Former commissioner Jim Huber said turnover that high indicates commissioners haven't been dealing with employee problems. He also was critical of the way some of the departures were handled, including McVey's.

"I think it's appropriate if a department head is going to be terminated or retired, the commissioners — at least a commissioner — should meet with that department head and discuss the problem before there's a termination," he said.

Department heads are supposed to be responsible to the commissioners, Huber said. "And the commissioners are the ones who should be discussing any problems in the department. The way things have been handled has been very poor."

Ford said the secrecy with which some of the departures have been shrouded has given rise to "information that allows the public to reach its own conclusions."

"There doesn't appear to be an openness there," he said.

Human relations consultants agreed there are times when turnover rises in an organization, sometimes in government after a change in elected officials. But they said a nearly 50 percent flip in department heads should be cause for concern.

turnover rates of "well below 20 percent." When his firm consults with a company experiencing 30 to 40 percent turnover, "we go into crisis mode to some extent ... to see if we can pinpoint what is driving people out the door."

"The reason you do that is because turnover is a very costly item. There is cost in progress, stability and in replacement."

Lynda Ford, president of The Ford Group in Rome, N.Y., pointed out what she called the "hidden costs of turnover." "If you have a manager making \$50,000 a year, it could very well cost the organization anywhere from 50 percent to 200 percent of salary," she said. "Multiply that by the 50 percent turnover, and that's a substantial hit to the taxpayers."

The costs are in the search process, training, "learning curve time" and possibly overtime for other employees, said the author of "Transform Your Workplace."

"The impact of turnover is like an insidious disease," said Stephen Blakesley, CEO of Global Management Systems Inc. and author of "Strategic Hiring — Tomorrow's Benefits Today."

"Its impact is both gradual and cumulative, and the direction is not good. The cost of turnover is higher in governmental positions than the private sector, and there are no profit-and-loss statements to hold supervisors accountable."

"'Flavor of the moment' becomes the operative mantra" among employees when managers turn over frequently, said John Baldoni of Baldoni Consulting LLC in Ann Arbor, Mich., author of six books on leadership. "In situations like this, organizations become unfocused, and in turn the customer — in this case, the populace — go unserved." "Knowledge and relationships head out the door," said Wally Bock, author of "Performance Talk" and the Three Star Leadership blog. "By the time a person has become a manager, especially in government, they've put in time and developed relationships and skills that are real assets for the organization. When they go, that knowledge and those relationships go with them.

"The organization loses productivity. Partly that's because of the knowledge leaving, but it's also that effort goes into adapting to a new boss in workgroups that could be concentrating on serving the public. ... Morale suffers. Managers who stay may feel like they're on a sinking ship. Workers wonder if they should be looking for other places to work."

That's reflected in the atmosphere at the courthouse, although at least one row officer suggested employees who work for the independently elected row offices are more insulated. With so many managers leaving — and with rumors flying that at least two more will be gone in the near future — lower-level employees are fearful for their own jobs.

"The higher you rise," Thibault said, "the more vulnerable you may be with sudden ax swinging in the middle of the night." One courthouse source said morale is low, reflecting not only the turnover but the perception that the situation is "literally dysfunctional, abysmal" and getting worse. "There is no question in my mind that the flight of talent reflects directly on the board."

Thibault called the situation "trickle-down embarrassment and confusion."

"It just almost looks," one former official said, "like a consolidation of control and power."

David Lewis, of OperationsInc, said most businesses strive for