I'm enclosing this month's edition of the City and County Management Innovations e-newsletter. As you may know, we'll be hosting the 2004 City & County Innovations Summit on April 28-30 (see details below). This event will focus on improving management and performance across city and county functional areas. There is still time to register so I hope you can join us.

This year's Summit is significant because the Institute will present three "Performance Management Awards" to be distributed in three categories: Innovative Public-Private Partnerships; Transparent Budget; and Overall Performance Management. If your local government has successfully implemented management reforms in these areas and you'd like to be a nominee, please send me an email with some of the details and I'll have my staff get in touch with you. We need to highlight and share management innovations at all levels!

-Carl DeMaio

April 2004

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If you find this newsletter useful and informative, please forward it to your friends and colleagues!

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The only event that offers so many solutions across such a wide range of city and county management issues!

Featuring Six Tracks:
- Performance Management and Strategic Planning
- Innovations in Budget and Finance
- Contracting and Outsourcing
- Model Performance Measures
- Strategic Management of Human Capital
- Information Technology and E-Government

Local governments continue to cope with increased citizen expectations in the face of budget deficits and revenue shortfalls. The reality of increasingly tight budgets warrants the need for improving performance planning and management across city and county functional areas.

Measure the Performance of City & County Programs

Emerge with timely strategies for enhancing your department's performance. From strategic planning and measurement to personnel management and budgeting, CCIS 2004 explores innovations in all major management functions. Moreover, case studies from all major city and county operations are presented–from design and implementation to evaluation of lessons learned.

Mitigate Falling Revenues and Improve Financial Management

As cities and counties continue to struggle in the wake of a slow economy, containing costs and ensuring strong financial management is more vital than ever. Instead of falling into the mistakes of “feast or famine” budget decisions, you can apply proven solutions presented at CCIS 2004 to navigating tough financial landscapes through improved financial management techniques.

Implement Innovations in Your Agency!

The innovations presented at CCIS 2004 are researched and validated by the CCIS planning committee (comprised of leading city and county experts) and will be presented as case studies. Learn and build upon them to improve your own organization. Sessions explore the latest practices and solutions to the most pressing city and county challenges–utilizing a peer-based learning approach.

Join us for the fourth annual City & County Innovations Summit, hosted by the Performance Institute and an array of good-government organizations in beautiful San Diego on April 28-30, 2004. For more information go to:
http://www.cityandcounty.org/

Managing for Results: Strategic Planning and Performance Budgeting

Boston Indicators Project Provides Framework for Performance Measures

The Boston Indicators Project is a comprehensive framework of goals and measures in ten sectors to stimulate informed public discourse and civic action. A partnership among the Boston Foundation, the City of Boston, the Metropolitan Area Planning Council and local institutions, public agencies, organizations, and universities, the project reflects the contributions of thousands of Bostonians and data from more than 150 partners, creating an accessible and well organized "container" for the excellent research and data produced in the region. For more information go to:
http://www.performanceweb.org/pi/research/newsletters/bostonindicators.pdf

Fairfax County Releases Proposed FY05 Budget

The proposed budget for Fiscal Year 2005 was released by County Executive Anthony H. Griffin in a formal presentation to the Board of Supervisors. Griffin indicated that the proposed budget is similar to those of the past three years: revenue growth has come entirely from real estate taxes; resources are directed toward education and public safety while reducing other programs; and taxpayer relief is balanced against county and school service needs. The proposed county budget for FY 2005 is $2.7 billion, an increase of 4.47 percent from last year’s budget, and includes a transfer to schools of $1.3 billion, an increase of $81.5 million from last year. To view this budget go to:
http://www.fairfaxcounty.gov/dmb

Montgomery County Upgrades Financial System

Montgomery County, PA, is replacing its 10-year-old homegrown financial system with an integrated Lawson system. The new system will improve financial analysis and reporting capabilities, streamline purchasing processes

and allow for easy data retrieval and exchange across the county's operations. The Lawson applications will also eliminate labor-intensive manual processes, enabling the county to share real-time information between key departments and reduce operational costs. To view this article go to:
http://www.govtech.net/news/news.php?id=89760

The Performance Institute Launches Performance Management Certification Program

Program performance measures, strategic plans, IT capital plans, performance-based contracts, competitive sourcing studies, employee performance evaluations...the list goes on and on! Government agencies at all levels are increasingly under pressure to measure the performance of their programs and report the results to policymakers and the general public. From the President's Management Agenda and the Government Performance and Results Act at the federal level to specific performance accountability statutes and initiatives at the state and local levels, government performance mandates are on the rise. To help government agencies achieve successful implementation of performance-based management reforms, the Performance Institute provides comprehensive education programs through its "Government Performance Management Certification Program." All courses in this nationally-recognized program are specifically designed to ensure full compliance and successful implementation of ALL performance management reforms in government. For more information go to:
http://www.performanceweb.org/pi/training/perfmgmt_index.htm

Workforce: Strategic Management of Human Capital

Hiring and Evaluating a City Manager

Although it varies from state to state, the average tenure for city managers across the US is 6.6 years. Most two-term council-manager communities have the opportunity to hire their city manager. Selecting the right person is a critical decision, and once they are on board, ensuring that they develop and serve the community becomes even more important. Elected officials have a unique opportunity to ensure that the city manager stays on the right track. That means setting a clear direction for the government, monitoring its work as it proceeds and periodically evaluating the performance of the city manager. To view this article go to:
http://www.nlc.org/nlc_org/site/newsroom/nations_cities_weekly/display.cfm?id=E128C17C-E968-484D-9ECD5747941E8E40

Tyler City to Identify Community Leaders

In order to get more citizens involved with city leadership, City Manager Bob Turner in Tyler, TX, has plans for an East Texas Leadership Council through a program designed to identify leaders in the community and educate them about municipal functions and procedures. Turner wants them to go through a training program of some type where they come in and see firsthand what goes on in the city. Under the plan, the leadership council will meet for two hours once a month at different locations throughout the city to learn about different departments and their functions within the city. To view this article go to:
http://www.zwire.com/site/news.cfm?newsid=11264183&BRD=1994&PAG=461&dept_id=227937&rfi=6

The Performance Institute Unveils a Human Capital Management Certification Program

Strategic human capital planning, program performance measures, succession planning, employee relations,

employee performance development, competitive sourcing studies, employee performance evaluations...the list goes on and on! Government agencies at all levels are increasingly under pressure to link their human capital strategies to agency mission and goals and report the results to policymakers and the general public. From the President's Management Agenda and the Government Performance and Results Act, to the creation of the Department of Homeland Security and the redesign of the civil service system governing the Defense Department's 700,000 civilian employees...human capital mandates are on the rise. To help government agencies align human capital strategies with mission, goals and organizational objectives to improve performance and citizen satisfaction, the Performance Institute provides comprehensive education programs through its "Human Capital Management Certification Program." All courses in this nationally-recognized program are specifically designed to ensure full compliance and successful implementation of ALL human resources management reforms in government. For more information go to:
http://www.performanceweb.org/pi/training/humancapital_index.htm

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Technology: E-Government and Information Technology

Best Practices in County E-Government

Counties should implement best practices learned from other jurisdictions to help launch e-government programs and avoid low-value initiatives and activities. Orange County, CA, for instance has hired a consulting firm to investigate best practices in county e-government. Orange County's goals were to understand successful e-government initiatives implemented by other counties throughout the United States, and to learn from the experiences of other agencies' e-government frameworks and initiatives. Orange County also wanted to identify e-government opportunities and potential initiatives that it could implement. To view this release go to:
http://www.cira.state.tx.us/Docs/docs/bestpractices.pdf

Santa Clara County Consolidates Web Sites to Save

Like many other local governments, the county is grappling with a cash shortfall after the economic downturn. To save money, Santa Clara County, CA, is consolidating its public Web presence from 51 separate sites into one, at www.sccgov.org. This will also improve outreach to its citizens. The vision for the internal employee portal is that it will become the workbench to access all applications an employee needs to do his or her job. The employee portal is the latest milestone in a county that six years ago did not have a CIO. To view this article go to:
http://www.gcn.com/vol1_no1/state-local/25245-1.html

New York City Receives Digital Government Award

New York City, as a Local Government Innovator, was the winner of a Digital Government Award for its 3-1-1 system. Dialing 3-1-1 gives citizens 24/7 access to all non-emergency government services in the city. In its first year, 3-1-1 received more than 6.5 million calls. 3-1-1 information serves as a measurement tool to help monitor agencies' response to the public and to also hold commissioners accountable for the results. Next steps include 3-1-1 on the web, which will allow citizens to submit and track 3-1-1 service requests on www.nyc.gov. The award recognizes technology breakthroughs in government in the United States. It was given by Accenture and the Massachusetts Institute of Technology. To view this article go to:
http://www.govtech.net/news/news.php?id=89759

Moving from e-Government to e-Democracy

Most e-government services today amount to little more than paper processes reconfigured for the Internet. A Web poll, on the other hand, gives citizens a new outlet for influencing decision making. IT experts have been promoting this for years, but cities and counties have been slow to put this into action. However, more and more local governments are trying out new modes of interactivity, channeling public participation both over the Internet and in face-to-face high-tech town hall meetings. This is referred to as moving from e-Government to e-Democracy. The first generation of technology delivered revenue-generating services such as licensing and permitting. The next step now is to come up with tools that give citizens greater voice in the process. To view this article go to:
http://www.governing.com/articles/3inter.htm

E-Purchasing Hits Its Stride

In the mid-1990s e-Procurement seemed the perfect IT investment. It could replace a slow, paperbound process with a fast, simple one that would pay for itself. However, many pilot projects failed and the switch to electronic processes became more complicated than expected. People failed to recognize that e-procurement deals with a myriad of procurement rules. Furthermore, each agency within a city government has its own way of processing a purchase. Nevertheless, some programs survived the initial crashes. Both Connecticut and Maryland, for instance, quietly developed e-purchasing systems that are operating efficiently today. With the lessons of recent history in mind, e-procurement is finally getting on track. All totaled, the state and local e-procurement market stands to grow at an annual rate of 17 percent over the next four years, bringing it to an estimated $1.1 billion by 2008. To view this article go to:
http://www.governing.com/articles/3purch.htm

Government IT Project Performance Boot Camp (May 17-21, Washington, DC)

This is a weeklong comprehensive coverage of the latest mandates and methodologies for performance-based, planning, management, measurement, and budgeting for government IT projects. Topics covered will include: capital planning, performance measures, security assessment and measures, project management, and budget justifications. For more information go to:
http://www.performanceweb.org/technology/t160/index.html

Procurement: Competitive Sourcing and Contracting

New Models of Collaboration for Delivering Public Services

Local governments around the world have been seeking new organizational models involving collaboration across government or public-private partnerships, in an attempt to improve public services through the use of advanced information technology. A new guide was released that focuses on the key elements of these new working arrangements. The aim is the voluntary combination of separate organizations into a coherent service delivery system supported by advanced information technologies. The rapid evolution of these technologies has created important new opportunities for governments to redesign services through creative relationships with other organizations. To view this guide go to:
http://www.ctg.albany.edu/publications/online/new_models/

Contracting Out Garbage Collection

Garbage collection is one of the most critical public services, and more and more communities are deciding to contract with private companies to provide solid waste services. If this is the case and local governments decide to privatize solid waste functions, they need to know what services they want and what they are willing to pay. Local government has to make sure the contract covers all aspects of the service and meets the community's needs. Good planning and research before the contract is signed can ensure that the resulting agreement will provide the needed service and benefit all interested parties. To view this article go to:
http://americancityandcounty.com/ar/government_building_better_contract/index.htm

Using Offshore Resources as a Means to Lower IT Costs

In light of budget shortfalls across the country, local governments are being asked to reduce IT spending by making use of innovative management practices from the private sector. Consequently, local officials are consolidating operations and making a realistic potential for return before making an investment. However, one of the big private-sector management trends for reducing technology costs is the use of offshore resources. These have enormous potential for controlling costs. However, the impact on jobs and the risks involved need to be considered. Each local government needs to decide what is best given its business goals, budget pressures, labor situation and technology challenges. To view this article go to:
http://www.governing.com/articles/2tech.htm

Program Spotlight: San Diego Citizens' Budget

Like many cities nationwide, San Diego finds itself in the midst of a perilous budget situation. While many of the City's fiscal problems are attributable to external factors- the State of California's own maligned budget is one- the current dilemma stems primarily from a series of management missteps, most notably surrounding the City's pension fund, which has been underfunded while suffering stock market losses. Last month, City Manager Michael Uberuaga presented his FY 2005 budget projections to City Council and outlined his claim that the City faces a mere $24 million deficit. However, the Performance Institute released an independent analysis of the City Manager's forecast showing how the City's own numbers add up to a total deficit of at least $65 million and could reach as high as $100 million.

The Institute's analysis is part of the Citizens' Budget project launched in San Diego. This project will conduct a "Performance Audit" of each city agency with the goal of producing "Options" or implementing cost saving measures in city government. Not all "options" can or should be implemented-and some will not garner widespread public support. As a result, the "Options" Report will be submitted to the City of San Diego and the general public for a feasibility review and a debate to determine which "options" should be implemented-depending on values held by San Diegans.

The Preliminary findings were announced last month at the first public forum of the San Diego Citizens' Budget project. This Public Dialogue generated widespread support on the scope of San Diego's budget crisis. Thus it was a great success and produced a lot of great ideas. A second forum will be held on April 27, at locations to be announced. The public also may submit questions or comments at the group's Web site. A main component of this project is to engage citizens, stakeholders, and elected officials in the process that affects their lives. As such, we invite you to attend our two community forums to so get involved in solving the San Diego budget challenge.

San Diego's Mayor, Dick Murphy, in a statement declared his support for the San Diego Citizens' Budget project undertaken by the Performance Institute, together with Reason Foundation, San Diego Regional Chamber of Commerce and the San Diego County Taxpayers' Association. The Citizens' Budget project has gained some incredible momentum and will remain dedicated to improving the transparency, efficiency and accountability of San Diego's budget.

For more information go to:
http://www.performanceweb.org/sandiego/index.htm

Government organizations have begun to require that their managers and employees implement a performance management system in their agencies. At the federal level, the President's Management Agenda is responsible for requiring this change, while many state and local governments are developing and implementing similar performance management reforms in their agencies. As this requirement for performance management continues to grow, many agencies still lack best practices and strategies for implementing these reforms. In order to access the latest development and implementation strategies on government management reform, you are invited to attend the *2004 Government Performance Summit West*, being held June 7-9 in Anaheim, California. The event will feature key management reform leaders, as well as legislative perspectives and agency executive updates from those leading the change toward creating a performance-based government. For more information go to:
http://www.performanceweb.org/west04/index.html

The Performance Institute is Proud to be a Media Partner for G-CON

The Gartner Government Conference (G-CON) on May 3-5 in Washington, DC, is 100% geared to the current issues affecting Government IT professionals. With nearly two dozen of the world's renowned public-sector dedicated Gartner analysts, and 30 sessions, G-CON is the only comprehensive, unbiased conference with strategic insights and tactical directions for government IT decision-makers. Simply put, G-CON content is richer, broader and deeper than anything you'll find at vendor conferences or other government IT events. For more information go to:
http://www.gartnerinfo.com/tr/g/gcon_04

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City and County Management Innovations Newsletter is provided as an informational newsletter to all city and county government employees about the latest news from the local government and independent news media on performance management.

The Performance Institute is a private think tank that serves as the nation's leading authority and repository on performance-based management practices for government organizations. Its mission is to identify, study and disseminate the leading management innovations pioneered by "best-in-class" government programs at federal, state and local levels. Through its national conferences on pressing issues, interactive executive training programs, and best practice research projects, the Institute provides cutting-edge expertise in the design, implementation and evaluation of strategies to solve operational challenges and enhance government performance.

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