This e-newsletter contains updates on state government innovations in key management, budgetary, civil service, technology and contracting topic areas. The State Management Innovations Update is compiled jointly by the Performance Institute and Reason Public Policy Institute. Please forward to colleagues in state government.

May 2003

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The **Government Performance Series** consists of 7 interactive forums on key elements of the PMA. By attending one of these forums, you will acquire the latest news and practices on the PMA, as well as receive applied training in performance management using established frameworks and

case studies from key innovators from government. These forums are kept to a limited size to encourage interactivity and have been very, very well received. Bring actual projects you are working on for expert review and improvement using the methodologies you learn.

The seven specially designed forums are:

- Strategic Planning and Change Management
- Performance-Based Budgeting Simulation
- "Show Me the Measures" – Model Performance Measures for Government Functions
- Employee Performance Evaluations and Development
- Performance-Based Contracting
- Performance Measures for IT
- Designing, Auditing and Improving Performance Information Systems in Government

For more information on the Government Performance Series, go to:
Government Performance Series

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1. Managing for Results: Strategic Planning and Performance Budgeting

a. *Citizens' Budget* Plan for California Released in Sacramento

-Although 45 states face budget shortfalls for the coming fiscal year, the State of California is faced with a deficit in the ballpark of $30 billion — by far the nation's largest. The Performance Institute applied the methodologies and strategies it routinely uses with federal

agencies and programs to the State of California's proposed FY04 budget. What we found was that governments facing budget deficits have more than two choices -- It is no longer merely an issue of raising taxes or slashing budgets across the board. To download the *Citizens' Budget*, go to: Citizens' Budget

-To read a commentary on the *Citizens' Budget* from Sacramento Bee Columnist Daniel Wientraub, go to: Wientraub Commentary

b. Maxwell School Releases Final Paths to Performance Report

-The Maxwell School of Citizenship and Public Affairs, Syracuse University, released the final version of the report: *Paths to Performance in State & Local Government*. This report is part of the six-year research initiative, The Government Performance Project, which evaluated the management capacity of federal, state, and local government entities. This report addresses learned about the five key management systems at the state and local levels of government. To download this report, go to: Maxwell Performance Report

c. Study of Performance Management for Governors

-This survey, presented for current and perspective state governors, looks at the management initiatives undertaken by governors and methods of establishing a performance management agenda to improve the management of state government. It states that a governor must be a manager as well as a leader and discusses how a governor can establish a management role. To download this survey, go to: Governor as Manager

d. Government Performance Logic Model

-The Performance Institute has defined and refined a proven methodology for measuring government performance: The Government Performance Logic Model. For an overview of how the Logic Model works and how it can benefit your agency's efforts to define, plan for, manage, and measure program performance, go to:

Government Performance Logic Model

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2. Workforce: Strategic Management of Human Capital

a. Report: Strategic Recruitment for Government

-The Performance Institute recently released the report “Strategic Recruitment for Government: Ten Innovative Practices for Designing, Implementing, and Measuring Recruitment Initiatives in Government.” For this report, a research team conducted 24 interviews since October 2002 with the human resource staffs of federal departments and agencies. Using a standard set of questions, the research team culled together information about each agency's human capital plan, use of flexibilities and incentives, diversity-recruiting, workforce analyses and use of performance measures. While the focus of the report is the federal government, the ten innovative practices for strategic recruitment apply to all levels of government. To download this report, go to: Strategic Recruitment

b. Human Service Agency Workforce Improvement Guide

-American Public Human Services Association released a field guide for Human Service Agencies on Workforce Data Collection. This practical guide presents recommendations for conducting staff exit interviews, staff focus groups, and employee surveys. To download this guide, go to: Human Service Workforce Field Guide

3. Technology: E-Government and IT

a. State CIO's Find Their Roles are Expanding

-With the majority of states experiencing tight budgets, state CIO's are finding that their role is becoming increasingly more demanding and difficult. CIO's are no longer merely "technologists," but must perform a wide variety of management roles as IT is increasingly being utilized as a potential solution rather than a means to implement policy. To read more, go to: Federal Computer Week

b. Wisconsin to Close e-Government Department

-Preliminary approval to close down Wisconsin's two-year old Electronic Government Department has passed the legislature. Citing a $3 billion deficit, the Legislative Fiscal Bureau found that eliminating the department will save the state $525,000. Should the proposal be approved, the state's Administration Department will oversee all state IT projects. To read more, go to: Government Computer News

c. Virginia Begins Extensive IT Overhaul

-Governor Warner signed two bills that will restructure IT in Virginia. The

commonwealth will create the Virginia Information Technologies Agency (VITA), a new state agency, along with a new independent CIO to oversee the planning, development, and purchasing of all IT projects and services. This reform will consolidate 94 state agency IT departments into VITA. To read more, go to: Government Technology

d. Limited Online Competition in Ohio

-A provision of the Ohio state budget bill limits the services offered on the state website. This Legislation will prevent the state government from offering certain services if two or more competing private companies already offer a similar electronic service. To read more go to: Government Technology - Feature

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4. Procurement: Competitive Sourcing and Contracting

a. Study of Fraud and Red Tape Issues in Procurement

-With procurement systems in state and local governments in transition, the National Institute of Governmental Purchasing released this report to determine what reforms have been implemented to decentralize purchasing controls and what projected trends could affect decentralization. To download this report, go to: Fraud/Red Tape in Procurement

b. Performance-Based Contracting for Cities and Counties
June 23-24, 2003 Arlington, VA

-Performance-based contracting is focused on the cutting-edge, seven-step process of contract management and administration. Attend a comprehensive walk through of each of the seven steps of performance-based acquisition and learn how to implement these steps into your agency's acquisition plans. Topics that will be discussed include the development of a performance work statement (PWS) or statements of

objectives (SOO), learn how to select the right contractor and decide how to measure and manage performance. Also, obtain best practices and case scenarios of actual cities and counties that have implemented performance-based contracting to efficiently manage their contracts and vendor relationships. For more information or to register, go to: Performance-Based Contracting

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5. Program Spotlight: Michigan School Partnerships to Assist Under-Performing Schools

-Governor Jennifer Granholm of Michigan has initiated a new partnership with schools, businesses, and community organizations to assist under-performing schools. This is the first time in Michigan that the Department of Education, local school districts, intermediate school districts, private businesses, the faith community, social service organizations, teacher unions, state government, the State Board of Education, and the foundation community have joined forces to help low-performing schools achieve academic success for all of their children.

The organizations in the new partnership will pool their resources to help high-priority schools improve their student's educational progress. Along with new teaching academies for administrators and staff, the partnering organizations lend their resources to those high-priority schools to take immediate action to begin their turnaround. To read more, go to: Michigan School Partnerships

Suggest a program to be highlighted in this section by emailing Vincent Badolato at Vincent@performanceweb.org.

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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.

Reason Public Policy Institute is a public policy think tank promoting the principles of competition, accountability, performance and transparency in government. Through practical and innovative approaches to complex government management problems, Reason seeks to assist federal, state and local government leaders in implementing change in the design and management of government programs.