States, Citizens, and Local Performance Management

Pat Dusenbury
Blaine Liner
Elisa Vinson

September 2000

States, Citizens, and Local Performance Management

Pat Dusenbury, Blaine Liner, and Elisa Vinson

In 1998, the Urban Institute received grants from the Smith Richardson and the Alfred P. Sloan Foundations to support a survey of state performance management practices, or governing-for-results. Project reports are available from the Urban Institute; the recommendations of most interest to the state legislative and executive communities are included in *Making Results-Based State Government Work, Governing-for-Results in the States: Ten Lessons,* and *State Approaches to Governing for Results*, all available from the Urban Institute Press.

Project team members included Blaine Liner (Project Director), Harry Hatry, Elisa Vinson, Pat Dusenbury, Ryan Allen, and Scott Bryant from The Urban Institute; Ron Snell and Jennifer Grooters from the National Conference of State Legislatures; and Wilson Campbell and Jay Fountain from the Governmental Accounting Standards Board. Material presented here is synthesized from project records produced during the project period. Paul Epstein, Principal, Epstein and Fass Associates, New York, NY., who co-lead the Minnesota Citizens League research team on citizen engagement and performance measurement, reviewed an early draft and contributed insights to this publication.

The project team assembled materials and made site visits to Florida, Minnesota, North Carolina, Oregon and Texas, where over 350 state and local officials and citizens representing over 150 organizations and agencies were involved in discussions about governing-for-results experiences in those states. In addition, dozens of administrators from other states were helpful in explaining their approaches.



URBAN INSTITUTE
2100 M Street, NW
Washington, DC 20037

The nonpartisan Urban Institute publishes studies, reports, and books on timely topics worthy of public consideration. The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders.

Contents

INTRODUCTION 1
Why Attempt Results-Based Governance? 1
What Is Results-Based Governance? 3
States Can Promote Results-Based Governance at the Local Level 4

HOW STATES ENCOURAGE LOCAL PERFORMANCE MEASUREMENT 5
Tools and Techniques 5
Multi-Tool Approaches 12

WAYS STATES ENCOURAGE LOCAL GOVERNMENTS TO USE PERFORMANCE MEASUREMENT IN COMMUNICATING WITH CITIZENS 14
Involving Citizens in Governing-for-Results 14
Benefits from Citizen Participation 20
Encouraging Local Governments to Use Performance Measurement to Communicate with Citizens 22
Local Initiatives Using Performance Measurement to Communicate with Citizens 25

RECOMMENDATIONS 27
The Costs of Using Performance Measurement to Communicate with Citizens 27
Recommendations for State Actions to Promote Local Results-Based Governance . 28

STATES, CITIZENS, AND LOCAL PERFORMANCE MANAGEMENT

Localities are where priorities must be set and solutions owned and implemented. State-initiated efforts need to consciously encourage localities to adopt or adapt statewide measures of progress and to incorporate these measures in their own strategic planning. States have the resources and bear the full burden of accountability; they also have the capacity to resolve policy barriers that may impede local progress. Wherever they are initiated, results-and-indicators frameworks can provide the glue to create—not mandate—equitable state and local partnerships.[i]

INTRODUCTION

Over a two-year period, the Urban Institute's Governing-for-Results and Accountability Project gathered information about the use of results-based practices in state and local government. The project staff conducted extensive discussions and interviews with elected and appointed state and local officials in Florida, Minnesota, North Carolina, Oregon, and Texas, and a number of agency directors from other states. In addition, focus groups and discussion sessions were held with citizens and citizen representatives in all five case study states. The Urban Institute's work on this project was supported by grants from the Smith Richardson Foundation and the Alfred P. Sloan Foundation.

Why Attempt Results-Based Governance?

Why are state and local governments paying increasing attention to results? The motivations described in interviews and focus groups were both numerous and diverse, but they were not new. The emphasis may shift, but the broad desire for greater efficiency and accountability in government has long been with us. Table 1 lists five goals that are driving the current upswing in the public sector's use of governing-for-results techniques along with the internal and external factors shaping that movement.

Table 1
Motivations Behind Governing-for-Results

GOAL	ORGANIZATIONAL FACTORS: (Internal to government)	POLITICAL FACTORS: (External to government)
Increase government accountability and efficiency	• Policymakers' dissatisfaction with the quality and cost of service • Budget constraints creating the need to improve resource allocation • Increasing competition among service providers—increasing privatization and use of subcontractors	• Citizens' dissatisfaction with the quality and cost of service • Tax rebellion, rejection of bond referenda, imposition of term limits, and other votes of "no confidence" • Citizen demands for greater accountability and efficiency—"government to be run like a business"
More effective mandates and quality controls	• Resistance, resentment of traditional mandates • Preference for mandating results instead of procedures • Trend toward decentralized service provision	• Opposition to regulation and a preference for information to help guide consumer choice • Complaints that "one size does not fit all"
Strengthen public participation	• Increased use of strategic planning with community involvement; citizen committees	• Better-educated citizens demanding opportunities to participate in policy debates[ii] • Success of participatory face-to-face programs such as community policing
Improve communication	• Increased complexity of government programs and issues places greater demands upon communication	• Increasing ethnic diversity complicates service delivery for a public sector committed to equality and creates a greater need for clarity in communicating
Inform policy discussions	• Provide a basis and justification for politically difficult decisions	• Advocacy groups demand information and want to present their own data

One crucial factor has changed, however. It would be hard to overstate the contribution that advances in information technology and data management are making to implementation of results-focused practices. Our increased capacity to measure and track results gives government the tools it needs to focus on results. In other words, governments are now able to do what many in government have long wanted to do. Important new tools include the following:

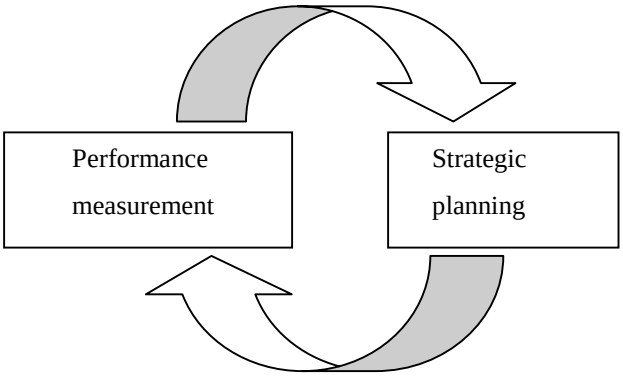
- Computerization of records
- Database management software that can handle very large files
- Statistical techniques that help identify the underlying factors contributing to a problem

What Is Results-Based Governance?

The early development of governing-for-results techniques and practices evolved more from independent invention than from handbooks or established standards of practice. Some of the good inventions are borrowed. Good ideas come from other states, localities, federal efforts, or the private sector, usually with a few improvements or modifications to fit the local culture of process, procedure, and decision making. Both the National Association of State Budget Officers and the Governmental Accounting Standards Board have provided information on governing-for-results practices and standards.

Although there is no single model approach to governing-for-results, common elements are emerging among efforts in those states and localities that are acknowledged leaders in this arena. The most innovative and effective programs encountered during our site visits were those that integrated strategic planning and performance measurement into an approach we are calling performance management. When strategic planning and performance measurement are used together, they form a continuous cycle of performance management. Strategic planning looks ahead toward goals to be accomplished; performance measurement looks back to see what was achieved. Figure 1 illustrates this cycle.

Figure 1.
The Cycle of Strategic Planning and Performance Measurement



Integration strengthens both processes. The strategic plan defines the performance to be measured, while performance measurement provides the feedback that keeps the strategic plan on target.

- Results-based governance demands that evaluation consider outcomes—not just activities but the results of those activities. The strategic plan goals and objectives focus performance measurement on outcomes and help define appropriate performance indicators.
- Strategic plans must revisit and "truth test" goals, objectives, and outcome measures on a regular basis. Things change. Periodic reporting of performance indicators provides the information to guide adjustments in strategic plans. This information keeps strategic plans on target and able to accommodate changes in the environment.

Establishing the performance management cycle increases the efficiency and effectiveness of government, which is part of the impetus for implementing results-based government. However, intentions to (1) strengthen public participation, (2) improve communication with citizens, and (3) inform policy discussions are also important motivating factors behind the current governing-for-results movement. All three speak to the third component of a governing-for-results system: citizen participation.

Citizen participation elevates performance management from a system promoting greater efficiency in operations and resource allocations to a system for more responsive government. The Minnesota Citizens League paper *Engaging Citizens in Achieving Results that Matter: A Model for Effective 21st Century Governance* by Epstein et al.[iii] describes "the evolution of performance management from a purely expert-driven technician's tool to an important element of open, effective governance." The force behind that evolution is citizen participation.

States Can Promote Results-Based Governance at the Local Level

One goal of this project has been to identify what actions states have taken to encourage or require municipalities to (1) use performance management and (2) involve citizens in developing and using performance indicators to focus local government activities on desired outcomes. In each state, we asked state and local officials how these two strands come together—how states can promote local government use of performance data to communicate with citizens.

We looked for, and found, examples of successful state efforts to encourage results-based governance at the local level, but there were fewer examples than we had expected. We also found examples of localities implementing performance management and encouraging citizen participation without state involvement. We looked for examples of citizens and citizen groups using performance information to assess government performance and direct attention to specific issues or needs.

This report describes the tools and techniques that states are using to promote the use of performance management at the local level. It provides examples of citizen participation and local government use of performance measurement to communicate with citizens

Throughout the project, we attempted to obtain feedback from local and state government employees about the advantages and disadvantages of various approaches. This report's final section draws on this feedback plus our observations about the best efforts in place in order to make recommendations. The recommendations focus on state efforts that encourage local governments to use performance measurement and communicate the results to the public in a way that empowers citizens. We recommend that states continue to examine these efforts within their states and in other states for best practices that they can recommend as models. This is an evolving field, and there is much more to be learned.

HOW STATES ENCOURAGE LOCAL PERFORMANCE MEASUREMENT

Local governments in cities such as Charlotte, Austin, Portland, Phoenix, and Jacksonville have implemented sophisticated governing-for-results systems with particularly strong citizen participation. However, many more local governments lag in the application of governing-for-results techniques. Frequently localities choose to use performance measurement in day-to-day management before they use it to communicate with citizens

States have a role and a strong interest in promoting more widespread application of governing-for-results at the local level. In program areas where local government often acts as the service delivery arm for the state—such as K-12 education, environmental programs, health and human services—governing-for-results practices strengthen accountability and focus efforts on results. On a more general level, governing-for-results performance measurement provides a common language for local government, the level of government closest to the citizens, to communicate with citizens and enhance citizen participation.

Tools and Techniques

States with advanced governing-for-results efforts lead by example in the implementation of results-focused governance. Leading by example is especially powerful for an evolving field such as governing-for-results, where the emphasis is on learning from the experience of others. The Oregon Progress Board reports that more than a dozen local governments in Oregon emulated the Oregon Benchmarks project, and the impact extends beyond state lines. One of the most readable performance reports we found was the Twin Cities (Minnesota) East Metro area benchmark report on social outcomes, which was based on the Oregon model.

States also make conscious efforts to promote local government application of governing-for-results practices. The state efforts that we found during our investigation use four categories of intergovernmental tools: mandates, incentives, technical assistance, and public information. Table 2 lists the most frequently used techniques for each category.

Table 2
Tools and Techniques for Encouraging Local Adoption of Governing-for-Results

TOOL	TECHNIQUES
Mandates	• Regulations • Performance Contracts
Technical Assistance	• Best Practices Information • Consultant Services • Training
Incentives	• Financial Awards • Increased Flexibility/Management Autonomy • Recognition/Praise
Public Information	• Comparative Performance Reports • Required Reporting to Citizens

Mandates

Local governments may not like them, but mandates are widely used to require a given activity or a minimum level of service. Local governments—counties, in particular—often act as service delivery arms of the state in health, human service, and education programs. Thus, state regulations govern a great deal of service provision, and, increasingly, states are requiring that performance measurement systems accompany these activities. Similarly, environmental concerns have led to state (and federal) mandates that restrict local autonomy in land-use decisions and require certain activities in pursuit of stated goals.

Mandating an activity does not always produce the desired outcome. For example, the North Carolina Coastal Area Management Act (CAMA) mandates local plans to implement state land-use goals in coastal areas and authorizes grants to support plan development. The resulting plans have been of limited effectiveness in promoting local actions consistent with state land-use goals for coastal areas. In early 2000, the CAMA Board suspended the planning grant program temporarily to investigate more effective ways of focusing local government land-use decisions on the desired outcomes.

Governing-for-results shifts the focus of mandates from activities to the outcomes of activities and, in doing so, can make the mandate more palatable. Mandates that focus on outcomes promote accountability while allowing local initiative to meet the standards in a manner compatible with local conditions. Local governments generally consider this approach less onerous, and it appears to be more effective. Mandates that speak to outcomes include results-focused regulations, performance contracts, or Citizen Compacts, as used by Texas state agencies, and citizen charters, now called Service First, as used in the United Kingdom. These techniques are described in Table 3.

Table 3
Outcome-Focused Mandates

TECHNIQUE	APPROACH
Results-focused regulation	Specify what the local government is to achieve rather than detailing how it is to proceed. For example, Oregon transportation planning rules for local governments include performance measures and allow the local government either to (1) adopt the rules developed by the state or (2) do something else that is likely to get a similar or better result.
Performance contract	Specify what outcomes must be achieved in order to receive payment, thus extending the results focus of a state program to the local government that is actually providing the services.
Citizen charter	Combine aspects of performance contracting and what in the United States is called customers' bill of rights. The charter denotes the service quality and outcome indicators that the agency tracks and identifies the agency's obligations to the citizens relating to these indicators (such as response times for requests for services or complaints). The charter is prominently displayed in a public location, usually where the service is delivered.

Technical Assistance

Governing-for-results, especially its performance measurement features, is new to most jurisdictions. Probably the most common reason a local government is not using governing-for-results techniques is that it has not been exposed to the idea, or it does not have the capacity. Another common reason is fear of consequences when the results are negative or less positive than expected. The state can address these concerns with technical assistance that includes training and best practices examples from other localities that have made successful efforts.

Minnesota has been active in helping local governments learn how to implement performance measurement. The state provides matching funds for local governments' membership in the International City/County Management Association (ICMA) comparative performance measurement project. The Minnesota Legislative Audit Committee has published reports of local government best practices in arenas as disparate as snow removal and 911 response, which were uniformly praised by local government officials whom we interviewed. The Minnesota Department of Human Services hired a highly respected consultant to work with counties on performance measurement in human service programs.

Technical assistance to counties, cities, and towns on performance measurement helps them interpret what performance measurement is all about and then helps them to get started and to do a good job. By providing technical assistance, the state becomes a partner in the local effort. Conversely,

inadequate or nonexistent technical assistance undermines local government compliance with state mandates and maximizes resistance. State regulators can find themselves "pushing on a string," and local resistance alone or in combination with political backlash eventually erodes the effectiveness of the mandates.

Florida Local Comprehensive Planning

Florida's experience with mandated local land-use planning demonstrates the importance of technical assistance. The Department of Community Affairs (DCA) was given responsibility for reviewing state-mandated local comprehensive plans (LCPs) but not given additional staff to do the job. When local governments asked for help with plan development, DCA could not spare the staff to help them. The lack of technical assistance hindered local efforts to comply with the mandate, while creating frustration and resentment among local governments.

When the LCPs were submitted for review, numerous inconsistent and inappropriate land uses slipped past reviewers, who were overworked and often unfamiliar with the localities covered by the plans. The lessons learned in this experience contributed to the development of the Sustainable Communities Demonstration Project, an alternative and successor to LCPs. Sustainable Communities program participants will *receive technical assistance at the outset to avoid some compliance problems that otherwise would have to be dealt with in the review process.* The program adds incentives to the LCP mandates and has monitoring and evaluation built in.

The Sustainable Communities demonstration project is proving successful. DCA sees the next step as expanding that approach in order to develop a system of local plans that focus on issues important to the state.

States that offer technical assistance find that local governments are anxious to learn and apply governing-for-results practices. A key finding from site visits is that once local governments integrated citizen participation into governing-for-results in one arena, they applied that strategy elsewhere. This occurred in Minnesota after the Department of Human Services provided technical assistance to county human service offices. One of the participating local governments, Dakota County, has applied the lessons learned about performance measurement system wide. This "spread effect" demonstrates that local governments have found these governing-for-results techniques to be beneficial and points to an important state role in introducing local governments to performance measurement.

A similar spread effect occurred in North Carolina as a result of the Performance Measurement and Benchmarking Project (PMBP). The North Carolina Institute of Government staffed the PMBP, helping cities and counties assess their service provision in selected areas. The PMBP has helped participating cities and counties understand performance measurement and its applicability to local government service provision. It produced workshops to guide nonparticipant local governments through the process because best practice information is more powerful when coupled with training and technical assistance for those who want to implement the model.[iv]

Incentives

When asked how state government should encourage a focus on results among local governments, local officials are likely to suggest incentives—primarily financial incentives. In Minnesota, the state has tied a portion of state revenue sharing to local use of performance measurement. There has been little follow-up, and it appears that this effort has served mainly to introduce the performance measurement concept to local governments. There is, however, value in making that introduction.

More often, incentives are specific to a program, and states reward service providers that are the "most improved" or "top performers" on key indicators. Using financial incentives can be awkward within an intergovernmental context. Nonfinancial incentives include allowing a local government with consistently good performance greater latitude in deciding *how* to accomplish a desired outcome. This is consistent with the trend toward an outcome focus for mandates, but in this case, only the better performers are allowed flexibility. Finally, recognition of outstanding performance is an effective incentive in the public sector, where few people are "in it for the money" and regulations can inhibit the use of financial rewards.

Governments as well as individuals can be motivated by recognition. The nonprofit Florida Sterling Council administers an award system that encourages state agencies and local governments in Florida to implement results-based management practices. The council reports that local governments have been quicker than the state agencies to take advantage of what Sterling offers. The Sterling Criteria for Organizational Performance excellence are based on the Baldrige Criteria but are more flexible and place greater emphasis on self-assessment. Governments can participate in self-assessments without actually applying for designation.

The Florida Sterling Council

The Florida Sterling Council is a 501(c)(3) nonprofit agency that encourages state agencies, local governments, and private firms to implement results-focused practices. Sterling started by selecting role models such as American Express and Honeywell and then publicizing their successes. It has established the Sterling Criteria for Organizational Performance excellence (which are based on the Baldrige Criteria) and an award system for results-focused management.

Organizations apply for the Governor's Sterling Award or for Sterling Quality Challenge recognition. Because Sterling emphasizes self-assessment, there are many more governments participating in that than there are actual applicants for designation. Some move to applicant status, while others do not. Coral Springs is a role model. Jacksonville, Coral Gables, Sarasota, and Fort Myers are among those seeking designation. Sterling designees agree to help others. The council emphasizes sharing and serves as an information exchange.

Technical assistance to applicants includes self-assessment guides, site visits, and mentoring. The Sterling Quality Challenge Self-Assessment Guide and Application triggers a one-day site visit by a Sterling Evaluation Team. The organization receives a written feedback report within four to six weeks. The Sterling Navigator, an internal organizational self-assessment tool, was developed in 1998 to meet the needs of organizations in the early stages of continuous improvement.

Applicants receive mentoring through a series of half-day training sessions designed to meet the needs of the organization. Analysis of the assessment tools produces written feedback to the organization. Still, most localities also hire consultants to provide the training and technical assistance for performance management, which is crucial to structuring a workplace that can meet Sterling Criteria.

The council is funded by individual contracts with state agencies, with the amount based on the agency full-time equivalent employment. The state funding covers five staff positions at Florida State University. Sterling seeks donations from the corporate sector—such as help with its Web page—and funds operating costs with revenue from the fees charged for applications, assessments, and site visits.

The flip side of incentives is penalties. Fear of penalties underlies much opposition to performance measurement required of local governments by state government. The more constructive response to poor performance is analysis of the causes followed by assistance to help the poor performer address those causes. For example, the North Carolina ABC Program, which provides financial incentives to teachers at the most improved schools, sends in teams of educators to help teachers at consistently low-performing schools.

Public Information

Reporting performance to citizens puts pressure on local governments to perform well on the indicators being reported. Thus, when a state uses public information to promote a local focus on results, the choice of indicators deserves careful thought. A performance report should present information that is fair, accurate, and complete. For example, information on local property tax rates tells only half the story—that is, what citizens pay. The other half of the story is what taxpayers get for their money, and the number and quality of services can vary widely from one jurisdiction to the next.

It is difficult to judge performance without the context provided by comparisons. The most common comparisons reported by local governments are comparisons against previous years' performance, and comparisons against locally-established targets. If those targets are linked to goals in a strategic plan that is accepted in the community, the targets can be a powerful performance management tool. An emerging type of comparison is comparison with other programs or jurisdictions. A notable effort to provide comparative performance information across jurisdictions is the International City/County Management Association (ICMA) Comparative Performance Measurement Program. This program collects performance data from participating local governments, analyzes and publishes the data in annual reports.[v]

Comparison makes performance measurement information more meaningful, but to be valid, comparisons across jurisdictions must be based on common definitions. Developing common definitions has proven to be a complex job and one that is best done with extensive local government participation. (The state may choose to fund that activity by local government or professional associations.)

To begin a Local Government Performance Measurement Project, the North Carolina Institute of Government spent a full year working with seven cities to develop common definitions for just three municipal service areas: police, solid waste collection, and street maintenance. This up-front investment was necessary to produce high-quality best practice and cost information, including unit cost figures, for comparisons across jurisdictions. When the project staff repeated the process for a set of county services, it took less time, and the third phase—midsize cities and counties—went quickly. Lessons learned in North Carolina and by the ICMA, which has a national comparative performance project, can help others develop common definitions.

Comparative performance reports put pressure on lower-performing jurisdictions. In Minnesota, metropolitan counties, which tend to offer the most extensive services, complained that state rankings of service costs were not valid because there were no common definitions of services or performance indicators. Still, Minnesota local governments have become more active in performance measurement—if only, as one official explained, to tell their side of the story.

For those states where states fund local service provision, the state may require local governments to report performance directly to the public. This approach is less popular, probably because the state loses control over data quality. If this approach is taken, the state should establish minimum quality criteria for indicators. Required performance reporting is also a tool for encouraging local government to use performance measurement to communicate with citizens, which is discussed in the next section.

Whether the state analyzes and reports local data or requires the local government to report the data, the contribution to communication with citizens depends on the performance data being readily accessible. Accessible means not only available and widely publicized, but also clear and easily understood.

Multi-Tool Approaches

The most effective state efforts promoting results-focused local government that we found on our site visits combine a variety of tools. As noted previously, mandates supported by technical assistance to help local governments comply appear to be far more effective than mandates alone.

A state–local government measurement, reporting, and action approach appears to be applicable to any service or program in which a state agency provides significant funding support to local governments, such as health and social service agencies, education agencies, environmental protection agencies, and employment and training services. It combines (1) mandates in the form of regulations and possibly performance contracting, (2) technical assistance through training and best practices reports, (3) incentives for superior performance/assistance for weak performers, and (4) public information via comparative performance reports.

A model approach that is used by the North Carolina Division of Women's and Children's Health, and in numerous states' education departments, is presented below in Table 4.

Table 4
A State–Local Government Measurement, Reporting, and Action Approach

- The state agency and representatives of local agencies jointly select a set of outcome indicators for the program, for example, low-birth-weight rates, employment rates six months after completing training programs, students' scores on national tests, water quality, industry pollutant emissions, and so on.
- Local agencies provide the state agency with periodic (monthly or quarterly) information on each indicator.
- The state agency tabulates the periodic data and provides local agencies with summary data for each outcome indicator and with comparisons with comparable local agencies.
- The state agency provides technical assistance to low-performing local agencies—perhaps through consultation with high-performing agencies.
- Annual comparative performance reports are made available to service providers, citizens, citizen groups, and the media.
- The state agency and representatives of local agencies sponsor an effort to identify best practices and disseminate them to all local agencies. Technical assistance is offered to help others adopt the best practices.

The multi-tool approach is also the strongest model for regulatory programs. The "regulate, assist, monitor, and publish" (RAMP) model helps local governments "ramp up" to meet state mandates. Oregon, for example, has found this an effective approach in its state-mandated land-use planning program, and the Florida Department of Environmental Protection (DEP) uses the first three steps and then publishes the Secretary's Quarterly Performance Report for DEP programs. This report includes text that explains how the data are generated and how they should be interpreted—an important addition when publicizing environmental statistics that might be misinterpreted by laymen. Table 5 describes the RAMP model.

Table 5
The "Regulate, Assist, Monitor, and Publish" (RAMP) Approach

- State regulations require local actions to be consistent with state goals or standards.
- Technical assistance explains what is required and how it can be done; financial incentives promote compliance if the effort will be costly.
- The state gathers data and helps local government monitor progress toward desired outcomes.
- The state publishes comparative reports, which put additional pressure on local government to comply in a manner that moves toward desired outcomes.

The Oregon Department of Land Conservation and Development

The Oregon Department of Land Conservation and Development (DLCD) takes a results-based approach to regulation and supports it with technical assistance, persuasion, and financial incentives in the form of grants to local governments. If a local government persists with an opposed land use action, DLCD can sue the offending local government in a special court, the Land Use Board of Appeals, but this regulatory stick is the last tool used. Experience has shown that technical assistance is the most effective tool, followed by the threat of legal action, and then financial incentives.

DLCD technical assistance is extensive. The Oregon DLCD has developed a model zoning code for small cities and a handbook for city recorders (clerks) to use in zoning situations. It contracts with consultants to provide local government with technical assistance in complying with planning requirements. The community outreach program has developed slide shows and will provide consultants with the required expertise to speak at community meetings.

DLCD publishes annual reports of building permits by unit type and density for each county for the current and several preceding years. However, the reports do not include analysis that would make the information more meaningful to citizens. How that can and should be done is illustrated by the Willamette Valley report, which was produced in response to legislative inquiry and is an excellent example of performance reporting.[vi]

WAYS STATES ENCOURAGE LOCAL GOVERNMENTS TO USE PERFORMANCE MEASUREMENT IN COMMUNICATING WITH CITIZENS

The second focus of this report is the state role in encouraging local governments to use performance measurement to communicate with citizens. Particularly at the local level, broad citizen involvement is crucial to results-based governance.

- Citizens participate more actively at the local level, and local governments are proportionately more involved in providing direct services to citizens.
- Scale dictates that citizen participation is most likely to have an impact at the local, community level.

Key aspects of this focus are (1) how local governments involve citizens in governing-for-results, (2) the benefits local governments have gotten from citizen participation in a governing-for-results context, and (3) how the state can encourage local governments to use performance measurement to communicate with citizens.

During site visits we asked local governments how they involved their citizens in governing-for-results and what benefits resulted from that citizen participation. We also asked about a state role and how the state has or could encourage local governments to use performance measurement to communicate with citizens. Although local governments are very negative about mandated governing-for-results, we found them very enthusiastic about state assistance in governing-for-results.

Involving Citizens in Governing-for-Results

Citizen participation is integrated into performance management as citizens—or at least *interested* citizens—play a role in strategic planning. Within the strategic planning process, citizen involvement helps build consensus to support implementation, educates participants, and contributes additional relevant information.

Generally, those who will be asked to help implement a plan should be represented in the planning process. As it becomes ever more clear that government cannot do everything, private–public partnerships and public participation in planning are becoming more important.

Citizen participation in strategic planning takes numerous forms. For example, citizens can sit on committees and commissions, attend public hearings, participate in open community forums, neighborhood workshops, or focus groups, and respond to surveys. Public officials and staff can also reach out to groups of citizens that don't usually get involved in public affairs by, for example, attending meetings of those groups, reaching them through their places of worship, or getting those groups' community leaders to encourage participation. The public sector seeks citizen input into strategic planning at different levels of involvement.

- At the lowest level, which is found at some public hearings, the public participates as a recipient of information, and their input is limited to asking questions and seeking clarification about the details and rationale for a proposed plan of action.
- At an intermediate level, citizens participate by evaluating a proposal or alternative proposals and recommending which action would be more effective and why they think so.
- The highest level of participation asks citizens to help define the issues and develop alternative proposals to address problems.

Generally, the broader the public participation, the higher the costs of producing the plan, in terms of both time and resources. A challenge is to achieve the appropriate participation at each level in the planning process.

Examples of the highest level of citizen participation include citizen task forces that develop plans and neighborhood associations with *advise and consent* relationships to local government. The highest level of participation is also occurring at agency and program levels, where citizen panels are being asked to help government devise solutions to difficult issues. The key is that citizens are involved in assessing the situation and developing strategies to address identified problems or opportunities.

High-level participation can lead to (1) citizen involvement in implementation and (2) partnerships that enhance local government resources for addressing a problem. Citizens' Watch programs have demonstrated how volunteers can supplement government employees in carefully defined jobs. This approach can be expanded to other arenas where citizens want higher standards of performance than the government can provide, empowering citizens to solve problems affecting their neighborhoods. For example, Southfield, MI and Winston-Salem, NC are using citizens' participation to strengthen code enforcement efforts.

Winston-Salem, NC, Department of Housing and Neighborhood Services

The Winston-Salem Department of Housing and Neighborhood Services (DHNS) recently moved to a higher level of citizen participation—with positive results. DHNS Community Service Division advisors serve as a liaison between city departments and neighborhoods, attending the meetings of neighborhood organizations and reporting on city activities.

When participants at the 1998 Neighborhood Presidents' Meeting expressed dissatisfaction with implementation of the city's nuisance abatement program, DHNS explained that limited resources constrained the program. Discussion produced a recommendation for citizen participation in nuisance abatement. A Southfield, Michigan program became the model for a pilot citizen inspection program that began in two neighborhoods in May 1999. Target neighborhoods selected participants, and DHNS provided training. The trained citizens can issue citations, and if the violation is not corrected within a given time, the citation is passed on to DHNS for enforcement. The neighborhoods and DHNS have become partners.

By raising the level of citizen participation, Winston-Salem achieved not only a solution to the immediate nuisance abatement problem but also better relationships between city administration and neighborhoods. The experience also strengthened neighborhood organizations and their leadership capacity. The pilot citizen inspection program will likely be expanded. Its success is defined by better-maintained property and by residents knowing they have the power to improve their neighborhoods.

The citizens' role in performance measurement also occurs at varying levels of participation. At the lowest level, the citizen is the audience for outcome information. To support citizen participation, the ICMA Comparative Performance Measurement Program in conjunction with the National Civic League and the Urban Institute offered participating jurisdictions optional public workshops to help citizens become educated consumers of performance information.

At a higher level of participation, citizens' perception of service quality is an important part of assessment, and what citizens expect from their government becomes a factor in service provision decisions. The issue is not only if the government is doing a job well, it is also if the government is doing the job its citizens want and expect it to do.

At a minimum, citizen participation in governing-for-results means finding out what citizens think and/or want and then heeding it; in other words, modifying government activities in response to citizens. At a higher level of participation, citizens are involved in the study of issues and development of strategies to address them. Citizens may also become partners with local government in implementation of those strategies.[vii]

Communicating with Citizens

At every level, citizen participation starts with communication—the two-way flow of information between government and citizens—to improve both perception and reality. Local government can be doing a good job, but if it does not communicate well with citizens, they may not know it. Communication from citizens to local government can reveal emerging issues and enable local government to address a problem at an early stage when it is easier to fix. Local government responsiveness empowers citizens and involves them in finding solutions.

Surveys, commissions and task forces, and neighborhood organizations are all part of the conversation between citizens and local governments. Citizens participate in this conversation as members of the general public, residents of the locality, or a subset of citizens organized around a shared concern such as the neighborhood where they live or the public services they need. Often, the term "stakeholders" is used to describe citizens with a special interest in an issue or program.

Performance measurement provides a common language for conversations between government and citizens. Citizens look for results. Performance measurement that links government activities to outcomes can tell citizens what they want to know. In one city we visited, the manager of the city bus service presented a citizens' commission with information about the impact of a proposed service cutback on costs per passenger mile. The citizens' commission asked how the proposed changes would affect people who relied on the bus to get to work. Although not trained in performance measurement, the citizens knew that marginal changes in cost per mile were not the critical outcome.

Outcome-focused performance indicators provide citizens with relevant information in an easily understood format. Despite its shortcomings, the Florida Department of Community Affairs Local Comprehensive Planning (LCP) program was successful as an educational process because it taught citizens that they had a role and rights in the planning process. Requirements for citizen participation in land-use planning are nearly universal in the United States. What set the LCP apart was that it required local governments to identify, map, and calculate the infrastructure that would be needed to support proposed development and then to explain to the public who would pay for it and how. This information forced local governments to acknowledge the cost of growth and engaged the interest of citizens with relevant information in a format they understood.

Jacksonville (FL) Citizens' Planning Advisory Council

The Jacksonville experience with Florida's Local Comprehensive Planning (LCP) mandate illustrates how effective communication encourages citizen participation. In 1993 Jacksonville created a Citizens' Planning Advisory Council (CPAC) in each of its six planning districts to meet the citizen participation requirements for the LCP. Each CPAC has 15 to 25 voting members who represent neighborhood organizations, a representative from the city council, and one city department head, who is an ex officio member. The Neighborhood Services Department staff works with the CPACs, and each CPAC sets up committees to address issues and develop proposals for projects. When the city is considering something that will affect a planning district, the relevant department will ask to be put on the CPAC agenda to present information and get feedback.

CPACs have become a system of umbrella organizations for neighborhood groups that fosters communication between citizens and local government, especially the mayor. The mayor meets with CPAC chairs quarterly and holds an annual town meeting in each planning district. For the past three years, a Mayor's Neighborhood Summit has offered neighborhood leaders a variety of workshops on city services and programs plus opportunities to share community-building ideas.

The CPAC system is an incubator for civic leadership. Seven of the 14 newly elected city council members are CPAC "graduates." CPAC members learn how local government works and become a resource for other citizens, who call upon CPAC members for help in dealing with city government. Citizens have become more sophisticated in their efforts to affect city decisions. They are better organized, know the law, ask better questions in public meetings, and make more cogent arguments for their position. Developers and others who find themselves arguing against neighborhoods have had to become better informed in order to represent their positions. This has raised the overall level of political discourse.[viii]

Heeding Citizen Input

Tools used to elicit citizen input include surveys, public meetings or hearings, and, for more in-depth and subjective insights, focus groups. The citizen survey is a flexible and broadly useful tool. Surveys can be used to elicit information about topics as general as quality of life or as specific as a particular service provision. They can be administered by mail, phone, or in person. Public hearings have long been part of government communication with citizens, and the point-of-service questionnaire is a familiar tool for program managers assessing customer satisfaction and is often used by state agencies to assess local implementation of state programs.

Use of citizen surveys is growing as local governments are finding that periodic surveys are useful and cost-effective tools for obtaining public input. Winston-Salem (NC) recently conducted its first general survey of citizen satisfaction in 20 years. The survey was done at the request of a citizens committee appointed to assess city service delivery and recommend privatization where appropriate. The committee wanted citizen satisfaction information to use in its performance assessment. City government has found the survey so useful that it plans to repeat the survey periodically. The survey cost the city approximately $20,000.

In a governing-for-results context, citizen input is obtained and then used to provide data for performance indicators. Survey responses inform program design and budget decisions. Table 6 describes a basic survey/assess/modify (SAM) model for getting and using citizen input.

Table 6
Governing-for-Results Citizen Participation: Survey/Assess/Modify Model

- The city selects a firm to conduct annual or biennial surveys of citizen satisfaction with city performance in general and in target areas.[ix]
- Survey results are tabulated and distributed to city departments and officials, and are made public through news releases, by being placed in libraries, and by being posted on the Internet.
- Program managers and department heads use survey results to assess performance, modify programs, and develop budget requests.
- The departments report to officials and city government reports to citizens about how performance is changing.

Following the SAM model, Dakota County, a suburban county in the Minneapolis–Saint Paul Metropolitan Statistical Area (MSA), used the combination of citizen surveys and performance measurement to improve public services and citizen satisfaction. Over a two-year period, citizen satisfaction with Dakota County government rose from below the average for neighboring jurisdictions to well above average.

Dakota County, MN

Dakota County began a performance measurement program focused on efficiency indicators such as outputs, activities, and workload in 1988 but discontinued it in 1992. In 1995, conflicting pressures for more public services and low taxes led county officials to try performance-based management again. As part of that effort, the county, which surveyed citizens about every three years to inform board members about constituents' concerns, added questions about citizen satisfaction with county services to the survey.

The 1997 citizen survey was the first to use the revised format. It found that (1) Dakota County citizens' ratings of their county services were 5 to 10 percent below the average ratings on similar surveys in other localities in the Minneapolis–St. Paul Metropolitan Statistical Area (MSA), and that (2) Dakota County was not doing a good job of getting information out to its citizens.

Survey results were widely disseminated within county government. The greatest relevance was to departments that have direct contact with citizens. Departments began to use survey information to support proposals for change, particularly in their budget presentations. Immediate results included such things as building bike trails, reorganizing licensing centers, opening park playgrounds, and automating library services. The County Communications Department began reporting outcome data to the public. News releases targeted the weekly newspapers that provide good coverage of local government. Dakota County reformatted its newsletter, which is published three times a year and sent to all 134,000 households in Dakota County. A county Web site opened in late 1997 and received 2 million hits in 1998 and 3 million in 1999.

Dakota County, MN (continued)

The 1999 Dakota County Citizen Survey results showed a sharp increase in approval ratings in just two years. Ratings for most county services were 10 to 15 percent above the MSA averages. External factors such as the strong economy were eliminated as causes for the better ratings because (1) comparable survey results for neighboring jurisdictions were less positive and (2) rating improvements varied from one service to another.

The 1997 and 1999 surveys were conducted by a firm that works for numerous local jurisdictions in Minnesota and uses common questions for benchmarking. After discussions with the survey firm, Dakota County officials concluded that the use of performance indicators to improve services and to communicate with the public produced the higher satisfaction levels.

A comparison of 1997 and 1999 survey results also indicates the success of citizen outreach efforts. The percentage of citizens who ranked the county newsletter as a major source of information about Dakota County Government rose from 31 percent to 52 percent. The percentage citing the Dakota County cable channel as their major source of information was 26 percent in 1999, up from 6 percent in 1997. Just seven percent chose the Internet as a major source of information about county government, but usage trends suggest that this percentage will rise quickly.

The initial citizen survey told Dakota County officials which services should be improved, and the county government responded. The results of the most recent citizen surveys show that citizens noticed. The higher approval ratings document the benefits of performance measurement not only for internal management but also for communicating with citizens.

Benefits from Citizen Participation

Advocates have argued that performance measurement can raise public appreciation of government services. In every state we visited, we found examples of local governments reporting that they experienced real benefit from communicating with citizens about government operations. In every instance, performance measurement was a crucial component of informing citizens about their local government operation. Performance measurement enables the communication needed when citizens are involved in governing-for-results. It lets local government tell citizens what it is doing to meet their concerns and lets citizens tell local government how well it is meeting their expectations. The information provided by performance measurement can lead to changes on both sides, with positive results.

Citizens look for results and bring that perspective to performance measurement. Although cost and frequency of service are important for managers to track, citizens want to know if there is progress toward the end objective. Spending more money, adding more police, and making more arrests do not necessarily lead to safer communities, which is the end outcome that should be measured in a governing-for-results context. Citizens want to know that there are fewer robberies and that they will be safe walking down the street. Thus, citizen participation keeps performance measurement focused on outcomes, as it should be.

Winston-Salem Citizens Efficiency Review Committee

Winston-Salem property tax rates are relatively low, and the city is one of only two U.S. municipalities with a triple A bond rating from all three national rating services. City officials felt they were doing a good job, but then citizens soundly defeated two referendums backed by local government: infrastructure bonds in 1997 and a stadium proposal in 1998. The mayor and several incumbent aldermen lost in the next election. Clearly, the citizens were not satisfied with the performance of their local government.

The new Board of Aldermen established a Citizens Efficiency Review Committee (CERC) to assess city services, identify the basis for each city function, and recommend continued city operation, in-house changes, or privatization. At its first meeting, the CERC steering committee requested benchmarking and best practice data. The city provided information from the North Carolina Performance Management and Budget Project plus the Annual Performance Reports (APRs) that each department prepares for the city manager. The North Carolina Institute of Government provided best practices information.

The CERC members also wanted to know how citizens felt about city services, and so in addition to public meetings, Winston-Salem conducted its first general survey of citizen satisfaction in 20 years. The results were generally positive, and city officials described the information as valuable. (See http://www.ci.winston-salem.nc.us/ooe/final/sld001.htm)

The CERC process has involved and educated 140 citizens, including some who had been extremely critical of city government. Learning more about the operation of their municipal government has led to a more positive perspective. CERC information requests have pushed the city to improve its performance management and to survey its citizens. Winston-Salem has publicized the survey results and posted them on the city Web site, and the city plans to conduct surveys regularly. The CERC report has been published and is located at http://www.ci.winston-salem.nc.us/ooe/frpt.htm[x]

Local governments are learning that high-level citizen participation can help in dealing with controversial or difficult issues. Shifting some of the decision-making responsibility from the elected officials to citizens helps diffuse opposition. When decisions reflect public deliberations of a citizen commission or broad-based citizen input, complaints about decisions made behind closed doors or in smoke-filled rooms lose credibility. High-level citizen involvement empowers citizens and counters public perceptions that elected officials are not responsive to their wishes.

Austin, Texas is using information technology to support such citizen involvement. Austin has a well-developed, high-level citizen participation program that incorporates the city Web site, the Austin City Connection. In addition to providing the standard information about city meetings, staff and departments, and events and attractions, Austin uses the site to garner broad-based citizen input. For example, building a new city hall can be a contentious experience, but Austin is soliciting citizen participation to give all quarters a chance to be heard in the earliest design stages. Table 7 reproduces an excerpt from the March 2000 Austin City Connection Web site.

Table 7
Citizen Survey from the Austin City Connection

The Place Where the City Meets
Austin is building a new city hall and surrounding it with a public plaza. Your input is very important to the programming and the architectural design teams. Please take a few minutes to fill out the following survey.
1. What would make the city hall and public plaza uniquely Austin? (e.g., What type of artwork, greenscape, materials, etc., would you recommend?)
2. What are your favorite spots in Austin? What makes them your favorite?
3. What kind of activities should be held in the new public plaza?
4. What would make you come, or keep you from coming, to the new public plaza and city hall?
NAME ADDRESS TELEPHONE NUMBER

Source: www.ci.austin.tx.us

Encouraging Local Governments to Use Performance Measurement to Communicate with Citizens

States encourage citizen participation by (1) reporting directly to their citizens and citizens groups and encouraging their involvement at the state level and (2) encouraging local governments to report to citizens and involve them in local governmental affairs. Examples of states encouraging local governments to communicate with citizens using performance measurement are harder to find than are examples of states promoting local accountability through performance measurement. Still, the examples found on our site visits suggest that while the state role is not large, it is pivotal. The state gets the ball rolling.

States encourage local governments to use performance measurement to communicate with citizens in three ways: (1) leading by example, (2) providing technical assistance, and/or (3) mandating performance reports.

Leading by Example

A good state example can inspire local efforts to improve communication with citizens, using performance measurement. Few citizens are interested in traditional financial reports and reports that only identify outputs and discuss agency activities. To reach an audience outside government, some state agencies have begun to experiment with livelier formats for reporting performance data. Examples include statewide quality-of-life reports—such as Minnesota Milestones, Florida's Government Accountability to the People (GAP) Reports, and Oregon Benchmarks—as well as individual agencies' short, eye-catching publications for citizen consumption, such as the Minnesota Pollution Control Agency Performance Report.

Local jurisdictions also are choosing to emulate "state of the nation" and "state of the state" reports by issuing annual "state of the city" or "state of the county" reports to their citizens—frequently as a tabloid insert in the local newspaper. Citizens find performance information most compelling, and local governments are most likely to emulate a state performance report when the performance indicators are both relevant to local issues and available for individual jurisdictions as well as for the state as a whole. The Oregon Benchmarks program has evolved from economic development to community indicators and inspired more than a dozen Oregon communities to initiate their own benchmark projects.

Providing Technical Assistance

The value of the local benchmark or state of the city/county reports for communicating government performance to the public depends on the choice of indicators and the quality of the underlying data. This points to a state role in providing technical assistance. Discussions with local officials revealed that local governments want state help in providing accurate data for these reports, and some states are doing so. The Oregon Progress Board, which is responsible for maintaining the Benchmarks, has helped local governments with their benchmark projects, and data for selected Benchmarks are presented at the county level.

The Portland/Multnomah Progress Board

The Portland/Multnomah Progress Board (PMPB) was one of the first local replicas of the Oregon Progress Board. The PMPB Benchmarks, like those at the state level, refer to higher-level outcomes. The Oregon Progress Board not only leads by example; it also has supported PMPB by providing data and technical assistance.

Multnomah County is home to one-fourth of Oregon's population and usually can use data generated by state surveys. For example, the Oregon Progress Board partnered in the PMPB readiness-to-earn report by doing a statewide survey. Following this example of collaborative data generation, the Portland police department and PMPB both helped fund the Multnomah County Health Bureau's domestic violence victimization survey.

Portland is passing on what it has learned and gained from the state. The Portland Central City group is developing a strategic plan for the Central Business District, and PMPB is helping them develop benchmarks.

States can encourage local performance reporting by technical assistance with data collection and analysis or by centralizing that function. Information technology advances have increased our capacity to gather and manipulate data about program outcomes, but database management remains expensive. The state can support local efforts and realize economies of scale by assuming responsibility for data management, as the North Carolina Institute of Government did with the Local Government Performance Measurement Project. Institute of Government support for local performance measurement activities has extended to individualized assistance. For example, the institute helped identify best practices for a Winston-Salem citizens committee that was assessing municipal service provision. By responding to local priorities in data collection, the Institute of Government provided technical assistance that Winston-Salem staff described as invaluable.

Mandating Performance Reports To Citizens

State legislation or agency policies may require, or encourage through incentives, that local government agencies report outcome data to their citizens. Mandated reporting is most effective when the mandate goes beyond requiring, for example, public hearings or notices in newspapers and also requires provision of relevant information in an easily understood format. This approach is described under the Public Information heading and is incorporated in the models for promoting local governing-for-results approaches to program implementation presented in tables 4 and 5. As noted in those sections, this approach should begin with a very careful selection of performance indicators to report and be accompanied by controls over performance data quality.

States generally require local governments to provide financial information on items such as budgets and tax levies to the public. During the past decade, there has been an emphasis on “truth” in local property taxes. For example, Minnesota requires local governments to provide advance notice of property tax increases, while Georgia requires its local governments to publicly report an increase if increases due to a reassessment are not fully offset by a decrease in the millage rate. The dominance of financial reporting requirements over service reporting requirements emphasizes the property tax rate over any other performance measures.

It appears that mandates requiring public reporting of performance information, and most other mandates, are more likely to be effective when combined with technical assistance to help achieve compliance. For example, local concerns about mandated public reporting can be alleviated if there is internal monitoring with reports at more frequent intervals to identify low performers and technical assistance to help them improve.

Local Initiatives Using Performance Measurement to Communicate with Citizens

As noted previously, local governments are using performance measurement to communicate with their citizens on their own initiative. The successful efforts demonstrate what can be accomplished and suggest ways of encouraging other local governments to implement similar programs. Among examples found in forward-looking city governments across the United States are programs in Charlotte, Austin, Phoenix, Portland, and Sunnyvale, CA.

Portland Service Efforts and Accomplishments Reports

Service Efforts and Accomplishments (SEA) performance reporting began in Portland in the late 1980s, and the first report was published for FY 1989–90. The SEA reporting focuses on the spending and staffing, workload, and results of the city's major public services: fire and emergency services, police, parks and recreation, transportation, environmental services, water, buildings, housing and community development, and planning. It also reports results from the annual citizen survey.

The published SEA report—and now brochure—uses performance information to communicate with citizens about their government. The format is concise, clear, and consistent for each service. Portland operating departments also use the SEA performance data internally as a management tool. For example, the police use the fear-of-crime indicator broken down by neighborhood coalition (eight cover the city) to assess performance in community policing and to guide tactical decisions regarding operations.

Although there is no formal link between SEA and budget, some performance indicators are in the budget, and SEA reports are part of budget discussions for the city council. The city uses SEA performance measures to communicate with citizens in the community budget discussions held in each neighborhood coalition area. These budget discussions use a "forced choices" process; for example, do you want 10 new police officers or a new playground at a certain park?

Nongovernmental organizations have also been active in reporting performance to citizens. Two leading examples are The Citizens' League in Minnesota and the Jacksonville Community Council, Inc. (JCCI), a regional civic organization that was modeled after the Citizens' League. Both organize citizen input to local government using performance measurement. These nonprofit organizations receive public and foundation funding for projects that report performance in general quality-of-life terms and address specific issues of concern. The Citizens' League also conducts research on effective citizen participation and results-focused governance.

JCCI, which was an inspiration for the Florida Government Accountability to the People effort, oversees the nation's longest-running private community indicators project. It offers a model that could be implemented in other localities. JCCI demonstrates how a nongovernmental entity can use performance information to promote communication between citizens and local government. JCCI publishes community indicators annually and staffs volunteer study groups that address high-priority issues such as the quality of public schools and crime problems.

The Jacksonville (FL) Community Council, Inc.

The Jacksonville Community Council, Inc. (JCCI) was created in 1975 because civic leaders believed that the city was not doing a good job of communicating, and citizens lacked input into the policy process. Each year JCCI produces two sets of community indicators. One, cosponsored by the city and the Jacksonville chamber of Commerce and funded by the city, targets quality of life (QOL) and areas where public action can be taken to initiate change. The other is funded by United Way and reports on human service needs.[xi] Citizen volunteers help define the indicators. Data come from public and private sources plus an annual QOL survey conducted for JCCI by a local survey firm.[xii]

JCCI staffs citizen-based studies of significant community issues, usually two each year. These studies keep JCCI involved at the forefront of citizen concerns. For each identified issue, a citizens working group meets weekly for 1.5 hours over seven to eight months to develop conclusions and recommendations. Recent topics have ranged from historic preservation to needle exchange programs. JCCI also conducts two or three additional studies annually on a contract basis, usually for local government.

An important part of the JCCI model is a commitment to implementation. For each citizen-based study, JCCI holds a press conference/public luncheon to announce the recommendations, publishes and distributes study reports. A follow-up committee, usually drawn from the citizens who worked on the study, promotes implementation of study recommendations for the next two years.

The JCCI tracks the implementation (or lack thereof) of study recommendations. The follow-up activities demonstrate both significant results and persistence. For example:

- Following a 1988 JCCI study of election reform, a petition and referendum were used to get recommendations for open primaries and term limits made into law.
- One-on-one negotiations convinced the city council to delay adopting an economic development incentive policy until a JCCI study on that topic was complete. Then the city Economic Development Commission, the project implementation committee, and the relevant city council subcommittee met to hash out an economic development incentive policy acceptable to all parties. The policy was adopted by the city council.
- Recommendations from a 1993 JCCI study of the public schools were not implemented, and the JCCI annual indicator report continued to document poor outcomes. In 1996 the Jacksonville Chamber of Commerce led a business community effort to improve the schools. The school board finally responded with a 1997 commission process that produced recommendations for change very similar to those in the 1993 JCCI report. Public school reform is ongoing, and JCCI continues to monitor the performance outcomes of the public schools.
- In 1989, JCCI studied the quality issue in public service delivery among geographic subareas of Jacksonville and recommended that the city publish an annual report card. Report cards were published in 1995 and 1996 but then discontinued. JCCI continues to advocate for resumption of the report cards.

RECOMMENDATIONS

Our site visits and surveys found several excellent examples of state and local governments using performance management integrated with strategic planning. We also found excellent examples of state and local governments using performance information to communicate with citizens. We found fewer than expected instances of states encouraging—or mandating—local government use of performance measurement and even fewer examples of states encouraging—or mandating—local government use of performance information to communicate with citizens. Generally, the state role in local performance measurement depends on the state role in the service provision. This suggests that over the long term, the tightest connection will be at the county level in social service programs.

In the other examples we found, the state role was limited but pivotal. State actions often served to initiate local use of performance measurement that then went beyond the state-supported effort. This "spread effect" took more than one form. For example, when asked about the state role, staff in Dakota County described technical assistance that was provided by a consultant employed by the state Department of Housing Services to help counties implement performance management. The lessons learned were applied across county government. Portland officials credited the Oregon Progress Board with crucial assistance in establishing the local benchmark project, and now Portland is helping a downtown organization with its benchmarking project.

The Costs of Using Performance Measurement to Communicate with Citizens

The small number of local programs studied makes it difficult to generalize about the costs of implementing performance measurement and reporting to citizens. However, the recommended activities do not have high costs for either the state or local government. For example, computer advances have lowered costs of data compilation and analysis dramatically, and serving as a centralized data resource should not impose an excessively large burden on the state, which already has data management responsibilities and capabilities.

Citizen surveys, which are recommended as very useful tools for measuring citizen satisfaction with government operations, can be conducted at a moderate cost. Cost estimates ranged from about $15,000 for an annual mail survey (Portland, OR) to about $20,000 for a telephone survey (Winston-Salem, NC).[xiii]

Auditing or verifying the data used to provide performance information is vital to its credibility and thus, a necessary cost. This is true of data used internally for performance management and externally for communicating with citizen. The Portland, OR, Audit Office calculates that its "performance audit"—which involves the Audit Office meeting with eight or nine departments to ensure agreement on measures,

getting the numbers, checking and reporting them—takes about 1,600 staff hours total. Thus, there is no significant resource constraint to doing the audit. Most of the time is spent doing the survey and producing the report. The Austin City Auditor's Office has made a practice of not only verifying City agencies' performance data, but also auditing performance measurement systems to help agencies, and the City, improve measurement in the future.

Providing information to citizens can be expensive, and localities are struggling to find inexpensive alternatives. In 1999, Portland discontinued publication of the big Service Efforts and Accomplishments (SEA) Report because of printing and mailing costs, and instead produced an annual brochure with information about the key indicators important to citizens. Brochures were mailed to the 2,000 people who participated in Portland/Multnomah Progress Board activities, placed in libraries, and used in presentations. The distribution and communication are evolving. Portland decided not to insert the brochure in the newspaper, because it would have cost too much, however, the Progress Board and SEA reports are available online.[xiv]

Austin and other "wired" cities are using the Internet to deliver information inexpensively. The Internet model works especially well for reporting performance. The summary report is accessed first, and those who choose can "drill down" to get ever more specific and detailed information on those topics that are of interest. The drawback is, of course, that Internet access is not universal.

Although implementing the recommended governing-for-results tools does not bear a high price tag, local officials can find it difficult to justify any increase in the administrative budget. Measurement systems have to add value. Clearly, local governments welcome state funding to defray costs. As the Jacksonville model illustrates, the public sector does not have to bear all the costs. The private sector and citizen volunteers are potential resources to support promotion of results-based government.

Recommendations for State Actions to Promote Local Results-Based Governance

Systematic implementation of governing-for-results is very much a work in progress. State governments are still learning how to use results-based techniques, and even the states that are leading this movement may not be ready to direct others. Still, two very clear themes are emerging. The first is that there is a state role in supporting local use of results-based government. The second is that a collaborative approach is the preferred way to encourage local use of performance measurement both to improve government operations and to communicate with citizens. State actions to encourage local governments to report performance to citizens involve three parties: the state, the local government, and the public. The most effective efforts create a performance partnership among all three that identifies first the issues of concern and then what role each partner can play in a collaborative effort to improve outcomes. The

following seven recommendations are intended to help states set the stage for performance partnerships at the local level.

Lead by Example

It is a truism that actions speak louder than words. If the state wants its local governments to use performance management and involve citizens, the state should be in the lead on those activities.

Avoid Unsupported Mandates

There is no one right way for states to encourage local governments to involve citizens in governing-for-results. There is, however, one wrong way. Creating mandates without offering supporting technical assistance or, if there are significant costs, financial support is the least productive approach. Local governments respond negatively to proposals for mandates, particularly unfunded ones. This response, which could be described as a reflex, extends to mandated use of performance measurement.

Provide Technical Assistance and/or Training

Technical assistance, including training, appears to be the most effective tool available to states. When asked about the state role, local staff consistently referred to technical assistance in performance measurement that had been provided through the state. By providing technical assistance, the state takes a partnership approach to promoting local government activities consistent with state goals. This is particularly desirable when the state wishes to encourage local performance relative to subjective goals, such as reducing urban sprawl or improving communication with citizens.

The state can provide technical assistance and best practice information on the basic elements of governing-for-results. This information should encompass models from other U.S. localities and from other countries. For example, states can provide local governments with access to the how-to publications provided by the United Kingdom for its charter system. For specific programs, the state can develop models for local government to copy, common indicators, and uniform data collection procedures. Technical assistance should include support for auditing performance data.

Manage a Centralized Performance Database

Several local officials suggested that the state was well positioned to provide centralized data collection and analysis. This function is especially appropriate for programs such as human services where local government is the service delivery arm. It can work in a broader context as well. The Oregon Progress Board has assisted the Portland/Multnomah Progress Board. However, Multnomah County is home to one-fourth of Oregon's population and usually can use data generated by state surveys. States with less-concentrated populations would have to expand survey

sample size to provide comparable assistance to their cities. Providing information at the local level is a crucial part of this function.

Encourage Local Government Use of Citizen Surveys

Citizen surveys provide valuable information at a reasonable cost and are a good starting point for local governments seeking to improve communication with citizens. They produce trend lines that help determine needs and evaluate services as well as track citizen satisfaction with government when questions are repeated over time. Portland, for example, surveys citizens every year regarding quality of life.

Use More than One Approach

Even more powerful than technical assistance and training is a combination approach with technical assistance as the centerpiece. For service delivery programs, the tools can be combined into a state–local government measurement, reporting, and action model. For regulatory programs a good model combines carrot and stick: regulation, assistance, monitoring, and public information. For promoting the use of performance measures to communicate with citizens, an effective approach combines required reporting with technical assistance to help low performers. Localities that actively seek citizen participation use multiple avenues to seek citizen input, and the effort to increase citizen involvement is waged on several fronts.

Focus on the Results, Not on the Structure of the Local Effort

State effort to encourage local governments to focus on results should be results-oriented. No single outstanding approach has been identified, and flexibility in implementation is appropriate. Large jurisdictions need more-structured approaches, for example, working through neighborhood organizations rather than directly with citizens. Smaller jurisdictions are more likely to need technical assistance and training for their employees. The success of the JCCI and the Minnesota Citizens' League demonstrate that nongovernmental organizations can play a key role in providing performance information to citizens.

Endnotes

[i] Atelia I. Melaville. May, 1997. *A Guide to Selecting Results and Indicators: Implementing Results-based Budgeting.* Washington, DC: The Finance Project .

[ii] The U.S. Census reports that between 1960 and 1993, the percentage of U.S. adults with a high school diploma almost doubled, rising from 41 to 80 percent.

[iii] http://www.citizensleague.net/cl/SLOAN/cover.htm

[iv] For more information, see Paula Few and Jack Vogt, "Measuring the Performance of Local Governments."*Popular Government*, Winter 1997:41–54.

[v] International City/County Management Association (ICMA), Comparative Performance Measurement: FY 1998 data Report, Washington, D.C.: December 1999.

International City/County Management Association (ICMA), Comparative Performance Measurement: FY 1997 data Report, Washington, D.C.: 1999.

International City/County Management Association (ICMA), Comparative Performance Measurement: FY 1996 data Report, Washington, D.C.: 1998.

International City/County Management Association (ICMA), Comparative Performance Measurement: FY 1995 data Report, Washington, D.C.: 1997.

[vi] Statewide Land Use Planning Program, Oregon Department of Land Conservation and Development, May 1999. *Oregon's Verdant Willamette Valley: Growing Crops While Growing Cities.* Salem, OR.

[vii] *A Ladder of Citizen Participation* by Sherry Arnstein (*APA Journal*, 35(3), p 216-224) describes a ladder of citizen participation that rises from manipulation to therapy, informing, consultation, placation, partnership, delegated power, and finally to citizen control. *Team Tool Kit* by Dr. Camille Cates Barnett (Research Triangle Institute, Research Triangle Park, NC, 1995) lists five modes of participation: tell, sell, test, consult, and join. Although lower levels of participation have roles to play, only the consultation level and higher is considered to be full two-way communication and therefore citizen participation in a governing-for-results context.

[viii] Telephone conversation with John Fleming, August 17, 1999.

[ix] A key step is deciding what survey questions to ask. That becomes especially relevant when considering citizen involvement. JCCI, for example, involves citizens in developing its surveys.

[viii] For more information, see Lee Garrity, "Citizens Redesign Winston-Salem Government," *The New Public Innovator*, Spring/Summer 1999, pp. 30-32.

[xi] There are plans to merge the two sets of indicators.

[xii] For more information, see Community Indicators Case Study, Redefining Progress, March 1999 at www.rprogress.org.

[xiii] Cost can vary depending upon the level of disaggregation of results desired (e.g., how many local neighborhoods or districts results are broken down into, how many different kinds of population groups), as greater disaggregation increases sample size, which increases costs.

[xiv] See the SEA report at http://www.ci.portland.or.us/auditor/audser/htm/list.htm. Also, the Progress Board makes data on all the Portland-Multnomah Benchmarks available on the web at: http://www.p-m-benchmarks.org/tblcnts.htm, as well as special studies done on topics related to benchmarks the Progress Board considers to be "urgent" or of "high priority."

Additional References

Paul Epstein et al., "Engaging Citizens in Achieving Results that Matter: A Model for Effective 21st Century Governance, a paper submitted to the American Society for Public Administration Center for Accountability and Performance symposium, February 11-12, 2000, Washington, DC. Available on the World Wide Web at: http://www.citizensleague.net/cl/SLOAN/cover.htm

Paul Epstein, Randall Solomon, and Stuart Grifel, "High Value Performance Measurement: For Sustainable Results that Matter to Citizens", pages 5-14, *The Bottom Line,* New Jersey Government Finance Officers Association, September 2000. Available on the World Wide Web at: http://www.gfoanj.org/line.html

Paula Few and Jack Vogt, "Measuring the Performance of Local Governments", page 41 – 54, *Popular Government*, NC Institute of Government, Winter 1997.

Lee Garrity, "Citizens Redesign Winston-Salem Government" p. 30-32, *The New Public Innovator*, Spring/Summer 1999.

Cheryl Simrell King, "Is Performance Oriented Government Democratic?" a paper submitted to the American Society for Public Administration Center for Accountability and Performance symposium, February 11-12, 2000, Washington, DC.

North Carolina Institute of Government, *A Review of Structural and Operational Alternatives for Enhancing the Effectiveness of the North Carolina Progress Board,* University of North Carolina at Chapel Hill (March 1998) page 1.