

ORIGINAL

**GOVERNMENT
CAPACITY
SHARING
PROGRAM**

Department of Housing
and Urban Development

Office of Policy Development
and Research

**ASSESSMENT OF THE RHODE ISLAND
PARTNERSHIP PROJECT**

by SRI International



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FOREWORD

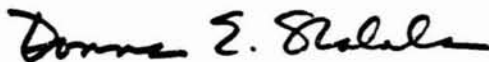
In recent years, the Office of Policy Development and Research of the U.S. Department of Housing and Urban Development, in partnership with state and local governments, has been concerned with improving the delivery of public services. Four related programs have been sponsored since early 1974:

- *Capacity-Building Demonstration Program* — Strengthening the capabilities of local officials to fulfill their overall policy development, resource allocation, and management responsibilities. (1974-1976)
- *Capacity-Building Energy Conservation Program* — Promoting the practical application of technology and management to conserve energy. (1975-1977)
- *Capacity-Sharing Productivity Improvement Program* — Promoting the transfer and implementation of practical approaches to improve state and local government productivity. (1976-1979)
- *Financial Management Capacity-Sharing Program* — Collaboratively responding to the increasing problems facing local governments in their financial management practices. (1978-1980)

The products and practical tools from the first two programs have been available since early 1978. We are now making available the products from the capacity sharing productivity improvement program. Eighteen projects involving over 200 local governments have produced more than 85 training manuals, case studies, handbooks and computer programs.

Developed, tested and implemented by state and local governments, these products, in most cases, have also been carefully assessed by an independent contractor, SRI International, and a statement of its assessment is included with each product. In those cases where the results were inconclusive, the reader is so advised. For many of the projects, we are also publishing a complete assessment report. In other words, we have done our best to assure you that the products are sound and useable.

Five summary booklets that highlight the results from all eighteen projects and provide ordering information for their publications are available from HUD. Descriptions of the booklets and ordering information are given at the end of this volume.



Donna E. Shalala
Assistant Secretary for Policy Development
and Research

ASSESSMENT STATEMENT

— IMPACT ON SERVICE DELIVERY —

Performance measures were developed and tested in public works, police, fire and recreation. No verifiable data is available from the project cities on the actual impact on service delivery. The performance measures have not been used long enough to show any reliable trends. Newport, the lead city, implemented performance measures in police, public works, fire and recreation. Bristol concentrated on public works. South Kingstown focused on the city garage. North Kingstown implemented measures on police. The City of Pawtucket did not implement any measures. The project developed a direct cost accounting system for use by smaller jurisdictions.

— IMPACT ON COST/COST OF IMPLEMENTATION —

Impact on cost has been difficult to verify. Additional record keeping was required in each community. In the North Kingstown Police Department, for example, while the department did not increase staffing to handle the data increase, an additional form is filled out by each patrol officer for each crime call for service and these forms are tallied daily by the records clerk.

— SPECIAL REQUIREMENTS FOR IMPLEMENTATION —

Additional staff time will be needed to collect, monitor and analyze the data collected. This can vary from negligible to significant depending upon existing data collection experience and systems. In most instances, the amount of data needed can be kept reasonable particularly in a small community, so that there are no significant implementation costs.

— TRANSFERABILITY —

While the particular measures may not be exactly replicable, the process described in the Performance Measurement and Cost Accounting for Smaller Local Governments handbook is transferable. The steps covered are performance measure identification; setting up a data collection system; setting up a cost allocation system; and use of the data once collected. No computer or special skills are required.

— SIMILAR PROJECTS ELSEWHERE —

The research and studies forming the basis of this report were conducted pursuant to a contract with the Office of Policy Development and Research of the U.S. Department of Housing and Urban Development (HUD). The statements and conclusions contained herein are those of the contractor and do not necessarily reflect the view of the U.S. government in general or HUD in particular. Neither the United States nor HUD makes any warrantee, express or implied, or assumes responsibility for the accuracy or completeness of the informaiton herein.

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ASSESSMENT OF THE RHODE ISLAND
PARTNERSHIP PROJECT

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ASSESSMENT OF THE RHODE ISLAND
PARTNERSHIP PROJECT

EXECUTIVE SUMMARY

The Rhode Island Department of Community Affairs (DCA) originally proposed to develop and test a model designed to improve the productivity of smaller local governments by the direct transfer of a single innovation. DCA staff assumed that a single set of performance indicators could be developed for several universal government functions (such as public works, police, and fire), and then simply "plugged in" to a new environment. The inaccuracy of this basic assumption became apparent approximately halfway through the project. Local governments diverged too widely on key characteristics, such as the sophistication of recordkeeping procedures, for simple transfers to occur. In addition, local officials were not interested in universal performance measures; they did not want to be compared with other jurisdictions. Instead, they wanted performance measures unique to their jurisdiction and situation. Despite these setbacks, the DCA staff was able to help local governments make substantial improvements in the efficiency and effectiveness of local operations. Two major lessons were learned in this project.

- If a change agent finds that the basic assumptions are incorrect, useful results can still be achieved if the approach and expectations are adjusted to actual circumstances.
- Efforts to improve productivity must be geared to the level of sophistication within the target jurisdiction or organization.

This document describes the process through which the DCA was able to successfully work with local governments, even though its original assumptions had to be changed. Although specific changes are identified, the actual impacts are less important than the way in which these results were achieved. No other jurisdiction may want to implement the recordkeeping system developed for South Kingstown, but they could use the process to implement their own system. This is the only document in which the process is described and assessed.

The final product, "Performance Measurement and Cost Accounting for Smaller Local Governments" is based on DCA experience during this project, but does not directly describe the process. The manual was

not used during the project, although some of its components (notably job coding and direct cost accounting) were implemented in participant jurisdictions. The handbook is organized to permit easy and selective use by managers, department directors, or chief executives. Included are:

- A general overview of the productivity measurement system, its values, and the concepts involved. (Intended for the executive reader who has to decide whether commitment to the system is worthwhile.)
- A step-by-step approach to setting up productivity measurements and improvement efforts.
- A direct cost measurement approach with sample forms and procedures to allow identification and classification of costs, and their direct accumulation.
- A long-range view of a complete cost accounting system (intended for finance directors).
- A composite case study of implementing performance measurement to show likely problems and useful solutions to them.
- A section on data collection that discusses guidelines for manual data collection and computer-based approaches.
- An appendix on indirect cost allocation.
- A bibliography and a list of performance measures.

Copies of the handbook are available by sending a check or money order for \$7.00 to:

Department of Community Affairs
State of Rhode Island
150 Washington Street
Providence, RI 02903
Telephone (401) 277-2872

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ASSESSMENT OF THE RHODE ISLAND
PARTNERSHIP PROJECT

Description of the Innovation

The Counterpart Partnerships for Smaller Governments' Productivity Project was funded by HUD as part of their Innovative Projects Program. Rhode Island's State Department of Community Affairs (DCA) was the grant recipient. The project was geared to specifically address the problems of smaller local governments (between 20,000 and 75,000). DCA staff felt that they could markedly improve the efficiency and effectiveness of local governments in Rhode Island (and elsewhere) by promoting the systematic use of performance measures. Performance measures are quantitative indicators of achievement which can be compared from one time period to the next, and provide an indication of local government productivity.

This project was a multi-level, multi-jurisdictional, multi-service attempt to address problems common to many local jurisdictions with limited resources. The state was to provide technical assistance to cities within its boundaries. The cities were to attempt parallel developments to facilitate comparative pictures of local productivity. Four major services were involved; police, fire, public works, and recreation. Newport, the lead city, wanted to develop and implement performance measures in all four of the service areas. The four counterpart communities; Bristol, Pawtucket,* South Kingstown and North Kingstown; each selected one service area to implement performance measures. Service areas are shown below.

SELECTED SERVICE AREAS

<u>City/Town</u>	<u>Public Works</u>	<u>Police</u>	<u>Fire</u>	<u>Recreation</u>
Newport	X	X	X	X
Bristol	X			
Pawtucket	X (solid waste)			
North Kingstown		X		
South Kingstown	X (central garage)			

* Pawtucket dropped out of the project before any improvements were made.

Newport, the lead community, had the most experience with performance measures. The city wanted to expand this capability through the technical assistance provided by the DCA. The DCA staff then proposed to transfer the performance measures directly to the counterpart communities. Ideally, each of the counterpart communities would have selected a different service so all of the performance measures could be transferred. However, Bristol, Pawtucket and South Kingstown were all interested in improving their public works departments. North Kingstown was interested in improving police service. Since local commitment to change is one of the most important factors in the success of technical assistance, the DCA staff felt that each city should be allowed to select the service area where assistance would be provided. Consequently, no attempt was made to influence this decision.

The final shape of the Counterpart Partnership project was determined by a series of events which began in 1969. During this year, the State of Rhode Island established the DCA to provide technical assistance for all 39 cities and towns within the state. In addition, the DCA provides assistance to public and nonprofit community development agencies. DCA services include assistance in general planning, government and fiscal management, training, redevelopment, services for the elderly, and other related activities. In brief, the DCA staff assists local officials in all aspects of their operations. This assistance has enabled them to develop a rapport with local governments, and the rapport facilitates further interactions.

While helping to build the capacity of local governments through general government and fiscal assistance, the DCA training division learned that many Rhode Island governments wanted to improve their productivity. However, local resources were limited and most jurisdictions could not afford to hire the specialists necessary to improve their operations. A survey of local officials confirmed this interest, since almost all of them wanted to improve government productivity.

Most of the cities in Rhode Island serve populations between 20,000 and 75,000; placing them in the small to medium-size city range. Approximately 40% of the cities in the United States fall into this category, yet little of the existing research on local government productivity improvement can be utilized by these jurisdictions because it assumes a degree of expertise not generally present in smaller cities. Although such cities have full time city governments, they also generally have relatively limited analytic staff. They cannot afford the luxury of staff members available to perform the work necessary before changes to improve productivity can be made. However, they do have the capacity to continue improvements once the innovations have been designed. This led the DCA staff to believe that a single model to implement standard performance measures could be developed and used successfully in a variety of situations. Many cities could derive long-term productivity improvements from the same basic research.

Newport requested that they be the lead community in this project, and all four of the counterpart communities readily agreed to participate. Only Pawtucket had access to its own computer. The primary state activities were originally described as follows:

- (1) Analyze state of the art literature to identify standard performance measures.
- (2) Identify measures which could be manually compiled.
- (3) Assist the target communities to select measures which would be most useful to the local decision makers.
- (4) Assist the target communities to implement the record-keeping necessary to develop the chosen measures.
- (5) Train local decision makers to correctly interpret and utilize the results of the new systems.

The project team's approach was extremely interactive. They realized that it would be necessary to develop a good understanding of various local activities before they could be of real assistance. To facilitate this understanding, they carefully worked with all levels of local government. Initially, DCA staff worked with department heads in order to ascertain their information needs and gain credibility with the rest of the organization. They worked their way down the hierarchy in each town to identify the needs of line supervisors as well. At the same time, all forms and recordkeeping procedures that were (or could become) the source data for performance measures were documented. This helped the DCA staff to develop an understanding of daily operating procedures and recordkeeping mechanisms. Their high visibility at each site established their role as one of pragmatic, day-to-day technical assistance.

Simultaneously, the DCA staff was researching various standard performance measures discussed in the literature. These measures were discussed with local officials, and the problems of implementation in each particular town were analyzed. Thus, the reports presented to the city managers of Newport and the counterpart communities did not contain any surprises. Local officials were familiar with the content of recommendations before they were formally presented; this facilitated acceptance of the reports. However, at this time DCA staff discovered that too close adherence to original goals and objectives would impair project achievements: that is, if the original work plan was followed, implementation of performance measures would be unlikely. As a consequence, they shifted their focus to maximize local change at the expense of the original plan. The reasons for and impact of this shift are described under Project Achievements (p. 5).

Objectives of the Innovation

The Counterpart Partnership Project had a variety of initial objectives:

- (1) To develop tested productivity indices and measurement programs for smaller governmental units which will enable them to improve their service delivery while maintaining or reducing their costs. These indices and programs will be comparable, comprehensive, transferable, and reliable.
- (2) To develop transferable methods for resolving objections which are raised by management and staff prior to and during productivity improvement efforts.
- (3) To assess the role of a state agency in assisting local communities to improve productivity through the use of performance measures.
- (4) To test the researched measures and implementation techniques developed in Newport and the counterpart communities and evaluate the implementation process.
- (5) To evaluate the effectiveness of performance measurement as a management tool to improve the productivity of local governments.

Due to the nature of the project and the process, any evaluation of the degree to which these objectives were achieved must be subjective. The performance measures were not uniformly implemented in all of the communities. Those communities which did implement some of the measures were unable to assign actual dollar savings to the results (although all felt that substantive improvement had occurred). This difficulty is associated with the timing of the evaluation; it was necessary to assess the results before the impact of the performance measures on the budget was clearly visible. Consequently, there is no "hard" data against which to measure the relative success or failure of the project in achieving these objectives.

Objective (1) was partially achieved. The project team was able to develop lists of productivity measures, and did develop measurement programs for smaller governmental units. In the opinion of local government officials,* these measurement programs will enable them to improve the productivity of their operations. However, the comparability, transferability, and comprehensiveness of measures implemented are open to question. The project team discovered that local situations varied so much as to preclude the direct transfer of performance measures and measurement programs. Although the measurements themselves could easily be transferred, the recordkeeping varied between

* Newport, North Kingstown, and South Kingstown implemented some measures.

jurisdictions so that unique forms and procedures had to be developed. In addition, the cities tended to be interested in different indicators. Originally, all cities were provided with extensive lists. It was assumed that they would critique the measures and a final smaller list would be developed and implemented in all of the comparable departments. Instead, each city focused on different measures according to their individual needs. Local officials determined that comparability was less desirable than a set of measures developed specifically for their jurisdiction. As a result, there was no attempt to implement the same measures in comparable departments. It is still too early to evaluate the reliability of the performance measures chosen.

Objective (2) was achieved, as the project team discovered the effectiveness of an interactive approach to solving local problems. All of the key players were involved in the development of the new systems (i.e., department heads, supervisors, and employees) so that resistance was minimized. The same approach was used in each city, and promoted local acceptance of recommended changes in each city. This technique is easily replicable by agencies interested in facilitating local change of this nature.

Objective (3) was not addressed directly by the project team, in that they did not formally assess their role in the process. However, the relative success of this project indicates that the DCA role of hands-on technical assistance was one which other state agencies concerned with local improvements might wish to consider.

Objective (4) is linked to Objective (1), in that it addresses the relative success or failure of the original work plan. The project team continually monitored its own efforts with the communities to identify techniques that were successful and those that were not. This enabled team members to adjust their approach as the project progressed, and increased the number of plans implemented. For example, local reluctance to use a "prefabricated" set of measures was recognized and the team allowed each city to select the measures it wanted from the original list. (The first plan did not involve this option.) During the course of the project, it was apparent that a willingness to listen to and adjust for local concerns was probably the single most important technique used by the DCA team.

Objective (5) was not achieved because of time constraints. The implementation of the performance measures took longer than was originally anticipated; as a consequence, results were not apparent at the time of the project evaluation.

Project Achievements

Two separate assessments of project achievements were completed. Ernst and Ernst, the subcontractor for the project, conducted an impact assessment during the spring of 1978 (it was completed in July). SRI

International conducted a second assessment, focused on the process utilized by the DCA, which was completed in November of 1978.*

Some of the points identified in the Ernst and Ernst report bear repeating, to set the context for the subsequent SRI International assessment. Initially, the DCA staff believed that it would be possible to immediately implement a set of performance measures in each community. Subsequent experience proved this assumption was false. In some cities, the existing local capacity to develop performance measures and obtain usable results was limited; the key departments simply did not have the needed recordkeeping capacity. As a result, the project shifted its focus. The project team concentrated on building the capacity of local governments to keep systematic records, which would establish a foundation for reporting and information development. This would enable the local government to eventually develop and utilize performance measures. Thus, the project team tried to lay the foundation for productivity measurement in the future.

The change in project focus increased the amount of interaction between the project team and the local agencies. It allowed the DCA staff to respond to expressed local needs, and radically increased the flexibility of the team's response. With the original focus, the project team was limited to a review of the existing workload measures and recommendations about new measures. No substantive suggestions about local operations were anticipated. However, it was precisely the latter that the local governments wanted (and needed). A close association between the team and local employees was necessary before the concept of productivity improvement could be adequately "sold." During this interaction, the team developed specific programs which a local agency could then implement to improve its productivity. These work programs provided the basis for performance measure development, since they were a necessary prelude to productivity measurement.

Since the project moved away from a uniform effort across all communities toward a more individual approach, it is necessary to look at the results of the process in each of the communities. Direct comparisons from one community to another cannot be made. This is a significant digression from the original work plan, and is the reason that the project failed to develop the comparable performance measures originally described. The following discussion will identify changes made in each of the counterpart communities, and problems associated with these changes (if any). Where appropriate, solutions will be presented. In some instances, the problems were worrisome but not

* Cost information is omitted, since it was not available in a meaningful form.

severe enough to impede the project. Information was acquired through interviews with representatives of the key departments and city administrations.*

Newport

As the lead community, Newport received the most attention from the DCA staff. In this city the project involved city administration, police, fire, recreation, and public works. The four service departments were the focus of active change (see p. 1). In addition, Newport had the most advanced administration with some workload measures already in use. The City Manager was committed to expanding these efforts and improving the general reporting system. During the course of the project his administration initiated a program budget and a quarterly reporting system based on quantitative indicators. The performance measures developed by the DCA are currently feeding into this new reporting and budget process.

The project was very timely in Newport, as the City Council (and citizens) had been very concerned with public expenditures for the past several years. The Council is interested in avoiding a revolt by taxpayers and very committed to productivity improvements in city service delivery. Although there has been some resistance to new recordkeeping procedures among the older city staff, most of them are beginning to see the benefits associated with careful documentation of activities. This is the result of pressure by the central administrative staff and positive experience with the first program budget. Department heads discovered that budget requests were more easily justified to the City Council if they were associated with performance reports.

Newport is moving toward more extensive productivity improvement. Eventually, the city manager wants all of the performance data automated and collected for each city department. The work performed by DCA has moved the city closer to this goal. It has expanded the capacity of the city staff in this area, and has educated the unions about productivity improvement. This has reduced union resistance to these changes, improving the probability of similar success in the future. These changes could not have been made without the DCA assistance, since the city had no staff with the time or experience to perform initial tasks. The City Manager feels that this type of technical assistance is valuable to the city, and should be continued in the future. Specific results are presented below for each of the four departments.

* Interviews conducted by SRI were handled over the telephone. Ernst & Ernst was able to do site interviews. The combined information is presented in this report.

Newport Police

Changes in the Newport Police Department cannot be attributed solely to the productivity project. The police had contracted with the International Association of Chiefs of Police to provide a study of efficiency/effectiveness within the department. Consequently, after the proposed performance measures were presented to the city by the DCA all project work in the police department was suspended until the IACP report was completed. IACP recommendations were very close to those made by the DCA staff, and the city began to implement some of the measures. At the time of the most recent phone call, Newport's police chief estimated that roughly 60% of the measures developed by the DCA and IACP had been implemented. Representatives of the city administration and police administration feel that these measures have contributed to the improved productivity of the department. It is not yet possible to determine quantitative results.

Although it is impossible to give the DCA team total credit for developing the performance measures, they did help the department to implement these measures. That is, they developed a system which utilized the measures to deploy police manpower more effectively. In addition, they developed a system to record information on vehicle maintenance. Both of these recordkeeping systems are rated as very helpful by the police and city administration, although both were beyond the scope of the original project. This indicates the importance of flexibility in a project of this kind. The actual measures were the least of Newport PD's problems; the police needed assistance to fully utilize and interpret the measures. Because the project team was flexible enough to perceive and respond to this need, the city derived substantial benefits.

The success of this activity is attributed to the level of interaction between the DCA and city staff. The project team worked very closely with city staff during the period when the measures selected by the city and the systems developed by the DCA were being implemented. This interaction reduced the resistance of local staff by involving them in the process. The DCA team emphasized responsiveness to local needs; this responsiveness increased their effectiveness. Their close association developed a good working knowledge of local problems and concerns; this increased the utility of the products developed.

Initial resistance to additional recordkeeping was overcome when the city hired additional clerical help, reducing the paperwork for police officers. In addition, a series of organizational changes and change of leadership within the department facilitated the new process. The new chief reports that the balance of the measures will be implemented as soon as the situation stabilizes.

Newport Public Works

The public works department of Newport is currently using some of the performance measures developed by the DCA staff, and expects to implement all of them in time. The public works department has been reporting very basic workload measures for some time. These measures compared current activities to activities of the last quarter. The project team recommended measures which would compare actual achievements to targeted goals, thus taking the process one step further. The addition of two new middle-management staff made this additional activity possible.

In addition, the project team developed new, more efficient, routes for both street sweeping and snow removal. They developed the scheduled plan for utilization of men and materials for the Sidewalk and Street Resurfacing Project as well. These plans were developed at the request of the City Manager, who felt that they had the highest priorities.

The changes associated with the project have, in the opinion of local officials, improved the morale and performance of the public works department. Operations have been streamlined, producing time and personnel savings. More work is done at night, reducing the inconvenience to drivers. Both city management and department management are pleased with the results of the program in this department. Project staff were perceived as responsive to local needs, and their interactive style reduced employee resistance. They were able to reduce previous duplication of effort, and all of the products developed are useful to the department and the city. In addition, the products are adequate to the needs of the city at this time.

Newport Fire Services

The actual performance measures implemented in the Fire Department are based on the uniform Fire Incident Report Form, which was distributed by the State Fire Marshall. However, these measures corresponded closely with those recommended by the project team. The DCA staff worked with the Fire Department to implement the Fire Incident Report Form, which collects statistics designed to identify problem areas. In addition, the project team developed an Inspection Card Log for the district, which records the number of fire inspections, their sites, and their results. This information is used within the department and forwarded to the city manager. A record of job performance was also developed, providing current information on the education, job performance, and reviews of fire personnel.

All of the innovations developed by the DCA team have assisted the fire department in improving its productivity, according to the Chief. All are in use, and provide information which was not previously available. The fire personnel found the DCA team to be very responsive

to local needs, and able to work productively with the department. The Chief noted that if the team did not understand a local issue, they worked with local staff until they did understand. This contributed to a real spirit of cooperation between department personnel and the DCA staff.

Newport Recreation

Most of the DCA effort in the recreation department focused on utilization measures. The DCA team analyzed the percent of actual use against the total available hours for each type of recreation facility, and designed a format to collect this information. The Recreation Director reported that this system was still in use, and providing information which allowed the Recreation Department to maximize the usage of facilities. The DCA team also recommended some performance measures relating to park maintenance. However, there was virtually no baseline information; consequently implementation is blocked until such data can be developed.

The Recreation Director felt that this project was useful, since it enabled him to improve the scheduling of his facilities. He also felt that the project team validated many of his ongoing programs, which boosted the morale of the department. He did not see the need to implement any measures other than those which are already in use. The director felt that it would have been helpful if the DCA staff had provided more concrete advice about actual operations, with a decreasing emphasis on performance measures. However, he felt that the team was responsive to local needs, and the products developed were useful. In addition, the interaction between the project team and department staff was fruitful; it increased local understanding and awareness of productivity improvement. In particular, he felt that the DCA was extremely useful as a concerned yet objective observer of local procedures. The timing of the onsite work could have been better, however. The DCA team performed the initial analysis during the summer, traditionally the busiest time for the recreation department. Consequently, local staff could not devote the maximum amount of time to the effort.

Bristol

The City of Bristol selected public works as the city department where performance measures could be the most helpful. There had been considerable local discontent (among citizens and elected officials) about perceived waste and inefficiency in this department. The Town Administrator wanted to either confirm or deny these allegations. In addition, he felt that the department would benefit from the improved recordkeeping associated with the performance measures, since this would increase management control.

However, the DCA team discovered that the Bristol Public Works Department needed to improve its internal operations before performance measures could be implemented. A list of such measures (corresponding to the list presented to Newport) was submitted, but the city needed more basic help before any performance measurement could take place. To this end, the project team tried to bring the city to the point where workload measures could be regularly collected. In addition, operational changes to improve overall efficiency were suggested. Major changes are presented below.

- The accounting system in the Public Works Department was simplified, and modified to provide for elementary accrual accounting. This enables the department to monitor its expenditures for major department activities. The system is currently in use.
- A system was developed that would allow the department to respond more efficiently to calls for service. Calls would be located on a map, and a single crew would be made responsible for all calls in a given area. In addition, a simple log of the time necessary to complete each task was developed. This log was the first step toward performance reporting. Neither the log nor the improved response plan are currently in use, although the Public Works Director reports that he is planning to implement the latter in the near future.
- The routes for solid waste collection were redesigned by the project team. This allowed for residential pick-up every five days rather than every eight days. There was no cost increase, and the new routes are currently in use. In addition, snow removal routes were redesigned. The new routes will be used during the winter of 1978-79.
- A new recordkeeping system was designed for the city garage, which had never maintained any log or file of all work performed by vehicle. Routine maintenance alone was recorded on a sticker inside the vehicle door. The new card file system allows the department to keep a running tally of the dollars spent in maintenance on each vehicle. This allows them to make better decisions regarding the repair or replacement of equipment. The system is currently in use.
- A quarterly report to the Town Administrator was instituted on the recommendation of the project staff. This is the first such document in the history of the town. Unfortunately, it has remained a narrative report, with no performance information.

It is apparent that the City of Bristol was more concerned with immediate operational changes to improve efficiency than with developing the capacity for performance measurement. The only innovations not

currently in use are those that would have formed the basis of performance measurement by allowing the city to collect workload data. Interviews with the Public Works Director indicate that the city is most pleased with the work accomplished, and the efficiency of the department much improved. However, city administration has apparently never truly accepted the idea of performance measurement. The ground work performed by the DCA staff was undoubtedly necessary, but may not be sufficient to gain administrative support for the next steps toward performance measurement. It seems that the city will need substantially more assistance and interaction about performance measurement before any workload data will be collected. Bristol had no previous experience with even the most elementary workload information, and the step towards fairly sophisticated performance measurement was simply too great.

It is clear that substantial progress was made in Bristol, which benefited tremendously from its participation in the project. The city representatives felt that the project team performed very well, and interacted constructively with local staff. Although there was initial union resistance to the project, DCA staff worked with the employees and eliminated this problem. The team was perceived as very responsive to local needs, and understanding of local problems. The products were useful, and the city staff has expanded its capability to use these products. The interaction with the state team provided information on what other cities have done, and increased the understanding of city staff.

South Kingstown

The City of South Kingstown was interested in the productivity improvement project as a means to upgrade the information available for decisions regarding their city public works department, particularly the garage. Both elected officials and citizens are concerned with city costs, and the Public Works Department is frequently a target. Improved management information will help justify budget requests by demonstrating that such requests are not arbitrary, but are based on established need. South Kingstown has been collecting some workload data as part of a preventive maintenance program for the last two years. Their employees are used to this and no longer resisted the extra work. The unions have relaxed since they realized that the information would help rather than hurt them, and that no lay-offs were associated with the recordkeeping. In addition, several of the most senior employees retired as the project was initiated. This made the development of additional performance measures even easier, since the replacements were less likely to resist change.

The project in South Kingstown had two major thrusts:

- First, the DCA team worked with the garage personnel to improve and expand on their existing Equipment Management Information System, which provided some performance data.

DCA staff provided a report which expanded on the measures previously used. In addition, they developed an operations manual for the garage staff which defined all data items. This manual enabled the city to more fully utilize the capabilities that exist in their information system, and provided a reporting format to transmit key information. Unfortunately, the major DCA liaison was the garage dispatcher who resigned mid-way through the summer, before completing the first quarterly report. Since he had not trained anyone else, the first report could not be completed until other staff were educated. This caused an unfortunate break in the continuity of information, and some dissatisfaction from the city administration. However, additional staff were trained and the situation rectified. The training and interaction between the DCA staff and the garage personnel were rated as excellent by the Public Works Director and the city administration.

- Second, the DCA staff used South Kingstown as a test community for a computerized Job Code Reporting System developed by the project team. This system codes all of the tasks performed by the Public Works Department, allowing the city to determine the cost of various activities. A simple code added to the basic payroll control register maintained by the town identifies the number of hours which each employee spent on any given activity. The system is the basis for simple cost accounting, and runs on the state-wide cooperative computer system. It was implemented without modification, and is currently in use. Both the Public Works Director and the City Manager were pleased with the system and the information provided. The city Finance Director hopes to expand the system to include all of the city departments.

Aside from the problems associated with staff changes in the garage, the city has been very pleased with the assistance provided by the DCA staff. The city is using (or plans to use) the measures recommended, and have found the additional information useful. It is still early to identify actual savings, but city representatives felt that operational improvements are already apparent. The degree of information exchange and interaction between the city and the DCA was viewed as particularly helpful. It educated the city staff about productivity improvement, and reduced resistance to new ideas. In fact, officials felt that the project has successfully raised the consciousness of all city employees about productivity. The flexibility of the DCA staff and their efforts to talk with individuals at all levels materially helped in this education.

North Kingstown

North Kingstown was particularly interested in improving the deployment of their police officers, and justifying needed staff increases.

The city is now responsible for an area formerly belonging to the Air Force, so that the region they must patrol has increased. In addition, the population in the area has grown rapidly. At the same time, the Police Chief has had some difficulty justifying staff increases to the City Council. The performance measurement developed during this project is designed to help the Chief effectively respond to the situation.

Initially, the DCA team presented the standard list of performance measures to the police. There was virtually no reaction, since the police administration did not see how this list was going to improve their situation. After several training sessions for both patrol and administrators, the police realized how these measures could be used to their advantage. A simple recordkeeping system was developed to capture and report pertinent information. This includes a manual describing the procedures necessary to use the forms which were developed by the DCA. In addition, responsibility for generating the actual measures was assigned, and reports regularly provided to the Chief. All of the measures are still in use, and updated figures are provided on a daily basis. This information is used by the city and police administrators to determine staffing levels, manpower deployment, resource allocation, and during budget preparation. In addition, crime data (by area) are provided to the patrols, telling them the frequency of various incidents within their jurisdictions. In brief, the entire force has benefitted from the use of performance measures.

This project component was highly successful, from the view of both evaluators and participants. There seems to be a universal commitment to the use of these measures which was developed during the project. The police administration felt that this was fostered by the interaction and training provided by the DCA staff. There were no problems with resistance by police personnel. The resulting system meets all of the Department's current information needs, in their opinion. Although it is too early to see actual dollar savings, the police administration feels that decisions are much improved by the additional information.

Pawtucket

The City of Pawtucket originally requested assistance with a computer program which they hoped would allow them to systematically re-design garbage routes. They felt that the DCA could provide more pertinent assistance after the program (COLMIS) was operational. However, the city did not follow up on its initial plan, and failed to contact the DCA. Subsequent interviews with city representatives indicate that the city felt that the DCA could not substantively add to their internal efforts. However, city officials also endorsed the project, stating that they felt it had been generally beneficial to the state of Rhode Island.

Problems

A variety of difficulties were associated with each of the individual cities. These are discussed throughout the text. However, two problems were common to all sites.

First, the project team had little or no experience in local government at the beginning of the grant. Although they learned about local problems while working in the various cities, much time could have been saved if the project staff had a better working knowledge of local government when their interaction began. Consequently, officials recommended that staff hired to work on similar efforts elsewhere be selected from individuals more familiar with local government operations.

Initially the project included an advisory committee with representatives of local governments and private industry. This was called the Community Industry Advisory Committee, and met irregularly during the period of the grant. Although the concept (improving public productivity by tapping private experience) was interesting, the committee did not contribute substantively to any of the cities' experience. One local official observed that he spent more time answering questions about his own government than he spent asking questions about productivity. The experience of private industry was so far removed from local government that virtually no real exchange was possible. All of the officials contacted seemed to feel that this committee was not worth their time away from their own jobs.

Conclusions

Several conclusions can be drawn from the project in Rhode Island.

- Efforts to improve productivity must be geared to the level of sophistication within the target agency. If the target agency is not collecting even rudimentary records, it is unlikely that they will be able to understand the value of performance measurement without substantial training and interaction. Even with a high level of interaction it may not be possible to "sell" the concept. (This was the case in Bristol.)
- Technical assistance, provided by a central agency accepted by the recipients, is a highly effective way to improve the productivity of local governments. All of the jurisdictions that participated in the project experienced changes which local representatives perceived as quite beneficial. All local officials felt that the effectiveness of their organizations had been improved, and that the products (procedures) developed by the DCA were useful.

- Close interaction between the agency providing the technical assistance and recipient agencies is almost mandatory if positive change is to take place. All of the local representatives cited the high level of interaction as one of the major reasons for success. In fact, it is doubtful that any changes would have been implemented in either Bristol or North Kingstown if the DCA team had chosen a less interactive approach.
- Central administrators must be committed to change before such change can happen. In Bristol, key administrators did not understand the value of productivity measurement; Bristol implemented all recommendations except those which would lead to measurement data. They did understand the value of route improvements; these improvements are a permanent change.

Although the project did not succeed in its original objective to develop a standard set of performance measures for smaller local governments, it did produce a variety of improvements within the operations of the participants. In retrospect, it seems that the original objectives were overly optimistic. Some of the local governments were not ready, others did not want to be compared. However, the approach used was sufficiently flexible so that the project team could provide assistance local agencies did want. A rigid adherence to the original work plan would have produced little; by deviating from the plan the project team achieved much.

Government Capacity Sharing Program

There are five overview booklets available from HUD that tell about this and other ideas developed and tested in the eighteen HUD-funded projects aimed at improving productivity in state and local government:

- **Practical Ideas for Small Governments Facing Big Problems** tells how local governments have designed energy conservation programs, personnel management and purchasing systems, have introduced performance measurement and cost accounting, have improved permit application and licensing, and have devised a way to plan for large street and road projects.
- **Practical Ideas for the Government That Has Everything—Including Productivity Problems** describes ideas for solving problems affecting service efficiency or effectiveness, or employee morale. Street repairs, park maintenance, street and alley cleaning, and permits and licenses are some of the subjects.
- **Practical Ideas on Ways for Governments to Work Together** describes four intergovernmental projects and one public-private project. Subjects include joint provision of services, a successful environmental review team, energy conservation, personnel management, purchasing, developing cost accounting and performance measures, and drawing on the management experience available in the private sector.
- **Practical Ideas for Governments Facing Planning and Scheduling Problems** describes ways of coordinating public services and citizen responsibilities to improve services to a neighborhood, a method for planning large public works projects, a way of instituting quality control in parks maintenance, an information system designed for parks, methods for scheduling shift work equitably, and ways of locating emergency and leisure service facilities.
- **Summary of Productivity Improvement Projects** describes each of the eighteen projects carried out and lists over eighty of the documents produced on the projects.

A free copy of each can be obtained by writing to Division of Product Dissemination and Transfer, Assistant Secretary for Policy Development and Research, Department of Housing and Urban Development, Room 8124, 451 7th Street, S.W., Washington, D.C. 20410.