Moving the Barometer

Overcoming Barriers to Shared Services in Local Government

February 9, 2015

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Introduction

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Government Do-Over Day

What changes would you make on a government "do-over" day?

➢ **In the current economic climate, spending of any kind is under the microscope and the pressure to cut back is intense**

➢ **Government organizations must strive to meet the implications of massive debt and loss of revenue sources**

➢ **Current service delivery is often redundant, inefficient and non-standardized**

➢ **Regionalized service delivery is sometimes considered unresponsive, detached and inflexible**

➢ **Municipal responsibilities are becoming increasingly complex and demanding**

Drivers for Change

External

- ➢ **Do More with Less - Declining state aid and funding**

- ➢ **Government policies and mandates**

- ➢ **Resident expectations and demands to lower cost and reduce duplication**

- ➢ **Resident demand for self-service, (i.e. interactive on-line tools and services)**

- ➢ **Financial incentives to cooperate to save and/or realize economies of scale**

Internal

- ➢ **Fiscal constraints**

- ➢ **Desire to improve service quality**

- ➢ **Growth and demographic shifts placing pressure on infrastructure**

- ➢ **Need to attract and retain skilled staff**

- ➢ **Need to keep up with rapid technology changes**

- ➢ **Need to standardize policies and technologies for greater accountability**

Drivers for Change – Pressing Local Issues

- **Common need for large capital investment – Library e.g.**
  - **Rye Brook needed to build a library**
  - **Port Chester library needed major capital improvements**
  - **Unique shared capital funding formula became "win-win" for both villages & the library.**
- **Largest opportunity is likely the Police Department**
  - **Will find most opposition here**
    - **Public safety concerns**
    - **Unions**
  - **Start small – shared dispatch; shared detective division**

The Primary Objectives of Shared Services

- To contribute to the efficiency and effectiveness of local governments

- To achieve cost reductions based on economies of scale and better leverage

- To eliminate or minimize duplication of services

- To share resources and specialized skills

- To improve service through timeliness, quality and cost management of common services

- To develop a model that results in a cost effective platform that is based on best practices, yet remains consistent and accountable to the people

- To focus on services that can be better provided through sharing or consolidating than they could by individual agencies
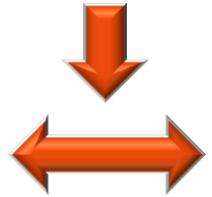
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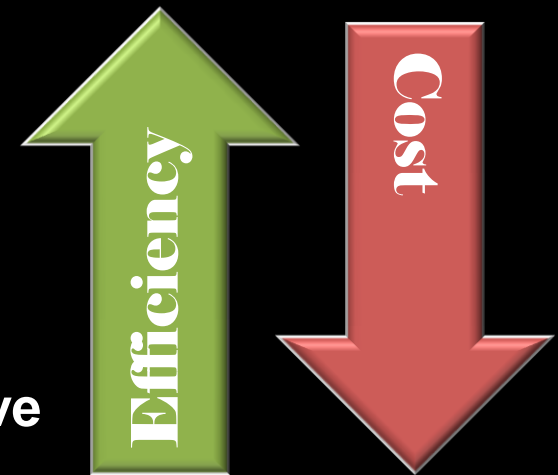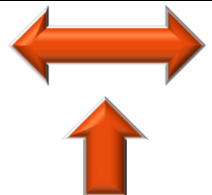
Cost

Balancing Community Values vs. Cost Savings

Cost   Services

- **Cost** ↓
- **Services** ↔

- **Cost** ↓
- **Services** ↑

- **Cost** ↔
- **Services** ↑

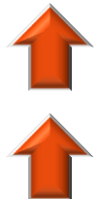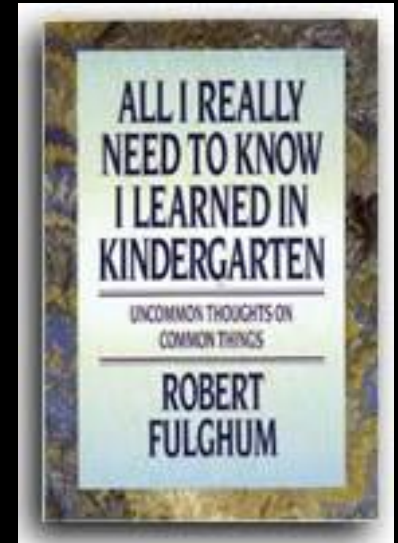- **Cost** ↑
- **Services** ↑

All I Really Need to Know I Learned in Kindergarten

➢ **Share everything.**

➢ **Play fair.**

➢ **Don't hit people.**

➢ **Put things back where you found them.**

➢ **Clean up your own mess.**

➢ **Don't take things that aren't yours.**

➢ **Say you're sorry when you hurt somebody.**

FEAR

Identifying The Barriers

Loss of Political/Power
- Who's in Charge
- Seal/Logo
- Community Identity

Control
- Budget
- Timing of Provision of Services
- Staffing – Hire/Fire

Level of Service
- Concierge Services
- Frequency
- Police/Public Safety
- Response Time
- Degradation of Service Provision

Unions
- Benefits
- Titles
- Longevity
- Job Loss

Fiscal
- Cost
- Staffing
- Facilities
- Revenue
- Compatibility of Capital Assets

Overcoming Barriers: Managing Uncertainty & Fears

Stakeholder Involvement:

Key Actions:

➢ Engage staff early in the process to identify shared values and interests

➢ Identify areas of common ground and benefit

➢ Build consensus on partnership working and shared services

➢ Emphasize the contribution sharing can make to community goals

➢ Explain the various mechanisms that can be used (i.e. contracts, governance arrangements, service level agreements)

Stakeholder Interviews • Roundtable Discussions • Department Head & Staff Surveys

Overcoming Barriers: Building Consensus

Vision and Communication

Key Actions:

➤ Work with partners to develop a clear vision and plan

➤ Communicate the vision to all relevant stakeholders

➤ Allow all relevant stakeholders to be involved in 'fleshing out' the vision

➤ Ensure that the goals and values of the partnership are clearly articulated

➤ Deal with concerns and misconceptions

➤ Ensure the rationale shows the contribution of each partner

➤ Explain to individuals and groups the benefits they can expect

Managing Change

➢ Many issues identified are symptomatic of the prevailing culture

➢ Shared service arrangements demand skills and resources in moving from one way of working to another

Key Issues to be Dealt with:

➢ Identify and correct shortcomings in current systems and processes

➢ Introduce new systems and procedures that will ensure continuity of service

➢ Develop systems needed to ensure that costs are managed and benefits realized (i.e., cost tracking and standardization)

➢ Anticipate risks created by the transition and develop policies, procedures and mitigation plans to deal with them

Overcome the Barriers – One By One

Consider Shared services versus outsourcing -

➢ Paid (shared) EMS was a hometown hero, but costs were out-of-line with other communities

➢ Attempts to consider alternate delivery models were met with great community resistance

➢ Cost anomalies were with back office. Outsourcing (or sharing) billing back office achieved cost improvements without impacting service delivery

➢ Shared services: "The lesser of the evils…"

➢ Look for asymmetrical opportunities

Demonstrate Leadership

➢ **Successful shared services are built upon committed and cooperative leadership.**

➢ **Leadership must understand and promote the 4 "C's" of Shared Services:**

Communication	→	Coordination	→	Collaboration	→	Cooperation
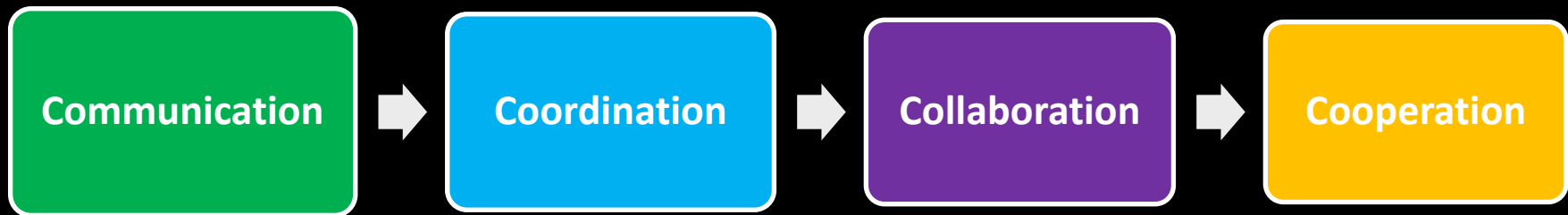
Keys to Success: Leadership

Effective collaborative working is first and foremost a human resources and political challenge.

Key Actions:

➢ Be aware of the effects change will have on employees and public opinion

➢ Job losses may be inevitable - carefully examine redeployment opportunities

➢ Initiate early dialogue with union officials

➢ Build commitment among staff to a new way of working

➢ Put the interests of customers above narrower political concerns

➢ Recognize that political support and resource availability will be key constraints on any progress

Keys to Success: Leadership

Leadership has a major bearing on the success of any initiative, particularly where staff engagement and reassignment is concerned.

Key Actions:

➢ **Understand areas of weakness**

➢ **Build a strong case for redesigning process and organizational structure**

➢ **Identify the new skills needed for managing and operating a shared service**

➢ **Maximize the potential contribution that existing staff can make through re-deployment and training**

Start with Small Projects & Build Upon Success

➢ **Purchasing**

➢ **Information technology**

➢ **Billing**

➢ **Functional Consolidation of Water District**

➢ **Civil Service/Human Resources**

➢ **Joint Fueling/Salt**

➢ **Snow Plowing/Sanitation Rerouting**

➢ **Joint Equipment**

➢ **Joint Management**

Examples of Overcoming Barriers

Village of Port Chester Dissolution & Shared Services Feasibility Study

➢ **Purpose:** **To study the feasibility of Town dissolution to identify shared services among the Villages of Port Chester & Rye Brook - and identify areas of potential cost savings and improved efficiency**

➢ **Process:** **Explored many potential alternatives (i.e., consolidation of parks, shared personnel, equipment, police dispatch)**

➢ **Outcome: Town dissolution still under discussion. Shared service alternatives are still on the table.**

Challenges:

➢ **Dissolution remains highly charged for 3rd village involved**

➢ **Urban vs. Rural service levels**

➢ **Differences in pay scale making shared services appear more costly**

➢ **Need for detailed facility analysis to determine joint facility needs**

Examples of Overcoming Barriers

Chemung County DPW Highway Services Study

➤ **Purpose: Explore alternatives for expansion of highway services and/or full consolidation of highway departments**

➤ **Process: Explored a wide range of options and alternative service delivery scenarios among different partners**

➤ **Outcome: Developed a hybrid model, combining aspects of functional consolidation, centralization, and decentralization**

Challenges:

➤ **Urban versus rural needs**

➤ **Skepticism: "If it isn't broke, why fix it?"**

Results:

➤ **Start with baby steps and remain flexible**

➤ **Develop a phased approach. First share specialized services and staff among a smaller partnership – grow partnership as trust evolves**

Examples of Overcoming Barriers

Albany Countywide Shared Services Highway Study

➢ **Purpose: Explore alternatives for expansion of highway services and/or full consolidation of highway departments**

➢ **Process: Explored a wide range of options and alternative service delivery scenarios among different partners**

➢ **Outcome: Developed a hybrid model, combining aspects of functional consolidation, centralization, and decentralization**

Results:

➢ **DPW Facility Analysis**

➢ **Joint Purchasing**

➢ **Developing of "Swap & Shop"**

➢ **Pilot Projects for Winter Maintenance**

    ➢ **Road Exchange**

    ➢ **Contracting for Services**

    ➢ **Joint Facilities**

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Examples of Overcoming Barriers

Other Examples of Shared Services and/or Consolidation in NYS

- Emergency Dispatch
- Code Enforcement
- Parks and Recreation
- Functional Consolidation of Water/Sewer Districts
- Winter Maintenance /Sidewalks
- Street Sweeping
- Circuit Rider Planning

- Solid Waste
- Public Defender
- Justice Courts
- Library
- Police Chief/Administration
- Building and Grounds
- Video Conference
- Economic Development

Be Creative

The definition of insanity is doing the same thing over and over again and expecting a different result

- Albert Einstein -

Questions and Answers...
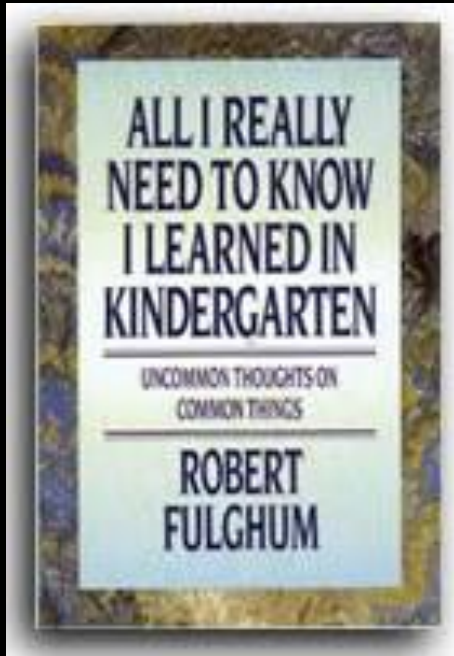
> **What services do you share?**

> **What are some obstacles or barriers that exist in your community?**

> **How have you overcome those barriers?**

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