Performance Management among Michigan Local Governments:
Findings from the Michigan Public Policy Survey (MPPS)

Presentation for the
Winter 2015 MPP course on Public Management
March 9, 2015
Presentation Outline

- Overview of CLOSUP and the Michigan Public Policy Survey (MPPS)

- Summary of findings on the use of data in decision-making by local jurisdictions across the state of Michigan

- A look at local officials’ reactions to state incentives for the creation of “Performance Dashboards”
Background:
An Overview of CLOSUP

- The Center for Local, State, and Urban Policy (CLOSUP) was founded at the Ford School of Public Policy in 2001.

- A small research center with a core staff of permanent employees and additional research staff and faculty working on a wide variety of research projects, events, & courses.

- The Center’s primary mission is to conduct and support applied academic research that informs local, state, and urban policy issues, both in Michigan and beyond.
Michigan ranks 7th in the number of general purpose local governments (1,856):
- 83 counties
- 255 villages
- 278 cities
- 1,240 townships.

These governments:
- spend about $26 billion per year
- employ about 150,000 people
- hold approximately $45 billion in debt (and billions more in unfunded retiree obligations).
Background:
The Development of the MPPS

- Problem: information gap in Michigan policymaking
- Solution: new ongoing survey program focused on local government and local government leaders
Michigan Public Policy Survey: Overview

- **Census survey** – all 1,856 counties, cities, villages, and townships
- **Respondents** – chief elected and appointed officials
- **Administered** – online and via hardcopy
- **Timing** – Spring and Fall each year
- **Topics** – wide range, such as fiscal health, budget priorities, economic development, intergovernmental cooperation, privatization, employee policies, labor unions, state relations, energy, environmental sustainability, Great Lakes, citizen engagement, bankruptcy, much more.
Michigan Public Policy Survey: Overview

- 70%+ response rates

- Transparency
  -- Questionnaires online
  -- Pre-run data tables online
  -- Sharing of (anonymized) datasets with other researchers

- Borrows from other proven sources such as NLC and ICMA; coordinates content with MI local government organizations

- Quality control such as double blind coding of open-end responses, internal technical memos on data quality, etc.
Michigan Public Policy Survey: Overview

- **Goals for the Survey Program**
  - Fill the critical information gap about challenges and opportunities at the local level.
  - Provide information to local leaders about peers across the state, spread best practices and grass-roots innovative solutions.
  - Provide a voice for local-level concerns to policymakers in Lansing, foundations, community organizations, etc.
  - Build a longitudinal data archive to allow tracking of fundamental changes.
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What did we ask on the Fall 2011 survey?

- **Who uses internal and/or external data to help their jurisdictions’ decision making?**

- **Among those who do:**
  what kinds? how extensively? how effective is it? who supports its use? what problems has the jurisdiction faced in doing performance management?

- **Among those who don’t:**
  are they considering it? how would they by likely to use it? what assistance would they need to institute it? who would support its use? what problems would the jurisdiction face in doing performance management?
Nearly 7 in 10 Michigan local governments say they use internal or external data.
Nearly 6 in 10 Michigan localities overall use internal data, 4 in 10 use external data.
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The “Yes” Track
Two-thirds of data-using jurisdictions report doing so on an ad hoc basis.
Workload measures most extensively used, effectiveness and citizen satisfaction slightly less so.
Most Michigan jurisdictions develop their internal performance measures themselves.
Michigan jurisdictions gather their external measures from a variety of sources.
Officials say performance measures generally effective, particularly at guiding decisions & cost savings.
Officials report overall support for performance management from key groups

- Employees: 26% (Somewhat support), 9% (Strongly support)
- Business community: 31% (Somewhat support), 11% (Strongly support)
- Citizens: 32% (Somewhat support), 12% (Strongly support)
- Managers: 28% (Somewhat support), 19% (Strongly support)
- Council/Board: 46% (Somewhat support), 31% (Strongly support)
Four in ten officials cite ‘ability to change’ as a problem in their use of performance data.
Three in four local officials overall feel performance management is worthwhile.
The “No” Track
Most non-users say they’ve never engaged in performance management.
Plans for new data use in the future depend on jurisdiction size

- Population <1,500: 32% Yes, 54% No, 14% Don’t Know
- Population 1,501-5,000: 34% Yes, 48% No, 18% Don’t Know
- Population 5,001-10,000: 22% Yes, 42% No, 36% Don’t Know
- Population 10,001-30,000: 20% Yes, 49% No, 31% Don’t Know
- Population >30,000: 100% Yes, 0% No, 0% Don’t Know
Not much support or opposition to performance management among key groups
Cost the biggest anticipated problem for jurisdictions not engaged in data use

- **Ability to change**: 4% Not a problem at all, 25% Not much of a problem, 28% Somewhat of a problem, 14% A significant problem
- **Ability to keep measures current**: 4% Not a problem at all, 21% Not much of a problem, 31% Somewhat of a problem, 15% A significant problem
- **Ability to tie data to goals**: 8% Not a problem at all, 22% Not much of a problem, 30% Somewhat of a problem, 11% A significant problem
- **Ability to analyze data**: 7% Not a problem at all, 22% Not much of a problem, 31% Somewhat of a problem, 13% A significant problem
- **Ability to obtain data**: 5% Not a problem at all, 21% Not much of a problem, 34% Somewhat of a problem, 11% A significant problem
- **Costs**: 3% Not a problem at all, 11% Not much of a problem, 32% Somewhat of a problem, 30% A significant problem
Larger jurisdictions among non-users think PM would actually be worthwhile for them.
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How Snyder’s Administration is encouraging local governments to create dashboards:

Constitutional Revenue Sharing ➡️ Unchanged

Statutory Revenue Sharing ➡️ EVIP
Total Constitutional and Statutory/EVIP Revenue Sharing Payments to Local Jurisdictions
Total Local Jurisdictions Eligible for EVIP funds

Only 486 out of 1856 jurisdictions:

- 269 cities
- 181 villages
- 34 townships
- No counties
Slim majority of local leaders were very familiar with EVIP, but many not well informed (among eligible jurisdictions)
Most EVIP-eligible jurisdictions created dashboards

(among eligible jurisdictions)
Few jurisdictions ineligible for EVIP created dashboards

(among ineligible jurisdictions)
Some local officials believed strongly in dashboards, but most had doubts about efficacy

(among all jurisdictions)
Concern about the dashboard measures used

(among all jurisdictions with dashboards)
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http://www.closup.umich.edu