

# Run a Lean Government

Five ways cities can improve  
services and lower costs  
with technology



iCompass

# Budget cuts leave local government leaders scrambling to meet rising expectations for improved services and greater transparency.

## Why do cities need to run lean?

The idea of governments “doing more with less” has been around for a long time — and it’s no surprise that the concept continues to generate interest and support among citizens and elected officials alike. Not only is it a catchy phrase, it’s also a laudable ambition. The original goal was to lower costs and streamline the delivery of essential services by reducing waste, redundancy and unnecessary expense, which would also free government workers to devote more time to the needs of the constituents they serve. Yet for far too many local governments, running a lean operation has become synonymous with cutting jobs.

One reason “doing more with less” has fallen out of favor with many local government officials and employees is that it often *begins* with deep budget cuts. In that scenario “less” is guaranteed, making “more” all but impossible to deliver. Rather than finding ways to lower costs by improving efficiency so that budgets can be reduced gradually, budgets are often slashed at the outset, frequently due to funding shortfalls or changing priorities at the federal, state or local level. That leaves local government leaders scrambling to meet rising expectations for more programs, more services and greater transparency, but with less funding, less staff and fewer resources. Worse, many local governments are expected to keep using this model to deliver “more for less” year after year. While this approach may show some initial short-term success, it is not sustainable and ultimately leads to service cutbacks and unhappy constituents.



By using technology, local governments can refute the prevailing view that there has to be a trade-off between the quality of public services and the cost of providing them.

Despite these challenges, reducing operational costs without cutting or compromising services in ways that are unacceptable to either citizens or elected officials remains one of the top priorities for local governments. In trying to achieve these outcomes, some governments have borrowed methods that manufacturers developed to lower production costs and streamline operations — such as Six Sigma, Lean (called *Kaizen* in Japan where Toyota first developed it), and the newer hybrid called Lean Six Sigma.

Yet all three of these methods focus primarily on changing the culture of an organization; they provide few actual tools to assist governments that want to make significant improvements but may not be ready to take on the daunting task of revamping the entire organization.

Fortunately, there are now a number of technologies that can help local governments achieve greater efficiency and lower costs by automating many routine tasks, eliminating activities that add little or no value, and ending redundancy. By using some of these new tools to take a leaner approach to their operations, local governments can refute the prevailing view that there has to be a trade-off between the quality of public services and the cost of providing them.



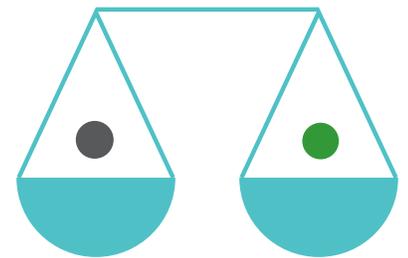
Cities across America are caught between reduced revenue on one side and the growing demands of the public on the other.

## The challenge: Striking a balance between waning budgets and rising expectations

Together, state aid and property taxes make up more than half of local revenues nationwide, according to the American Cities Project of The Pew Charitable Trusts, but both funding sources have declined in recent years. Starting in 2006, the growth of both sources slowed relative to local spending, and then dropped sharply. By 2009, state aid and property taxes together covered a smaller share of local expenditures than at any time since the U.S. Census began tracking those two funding sources in 1972. In fiscal year 2010, local governments lost 2.6 percent of their state funding and 2.5 percent of their property tax revenue from the previous year — a total of \$25 billion. It was the first time those two revenue sources had declined simultaneously since 1980.<sup>1</sup>

Although local government budgets are now slowly increasing, the pace barely exceeds inflation. Meanwhile, increasing financial demands due to pension commitments, infrastructure maintenance, and other costs are placing additional pressure on current and future budgets. Cities across America are caught between reduced revenue on one side and the growing demands of the public on the other. Those demands may include safer communities, well-maintained roads, and more transparency. Decreased funding, coupled with the call for improved services and legislative requirements for digital access to information, leaves governments no choice but to operate more efficiently.

While many who work in local government know that technology solutions can increase efficiency and streamline operations, government decision makers are sometimes reluctant to make the investment in such solutions. They raise concerns about not knowing how to get started. They question the wisdom of investing in technologies that may be difficult to learn or hard to use, and that could complicate rather than simplify processes. They also worry about getting locked into ongoing technology infrastructure costs that could increase budget pressure and negate any potential efficiency gains.



<sup>1</sup> "The Local Squeeze: Falling Revenues and Growing Demand for Services Challenge Cities, Counties, and School Districts," American Cities Project, The Pew Charitable Trusts, June 1, 2012

# What local governments need are quick, easy and cost-effective ways to boost efficiency and provide greater transparency while maintaining or improving their relationships with elected officials and the public.

What local governments need are quick, easy and cost-effective ways to boost efficiency and provide greater transparency while maintaining or improving their relationships with elected officials and the public. Technology can provide some of those solutions.

## Lean government: Opportunities and benefits

Automation and cloud-based technology solutions allow local governments to streamline operations, reduce costs, increase transparency, enhance their public image, and provide both constituents and elected officials with easier and more direct access to information and services — without investing the time or money needed to reinvent their organizational culture. The technology also offers a high return on investment (ROI), enabling local government leaders to return money to the budget while improving services. The cost of these solutions is nominal in comparison to the value they provide. Here are five key options for local government leaders to consider:

### 1) Automate agenda and records management

[An automated agenda and records management solution \(like those offered from iCompass\)](#) can help local governments save staff time and reduce expenses such as printing and photocopying while greatly improving the efficiency of internal processes. By replacing many routine manual tasks with paperless solutions, local governments can eliminate wasteful duplication and repetition, and lessen the potential for human error.

For many local governments the challenge is finding the budget to pay for a solution and the time to manage the transition – but new “risk free” models (such as iCompass's [AgendaFree](#)) allow you to eliminate risk and make it easier to manage the transition to digital.



Today's workers spend **61 percent** of their work week reading and replying to email, searching for information, scheduling meetings, and communicating with team members.<sup>2</sup>

<sup>2</sup> "The Social Economy: Unlocking value and productivity through social technologies," McKinsey Global Institute, 2012

## 2) Enhance citizen engagement

An automated citizen engagement portal is much more than a website. It provides unparalleled transparency and public access, refreshing automatically with the latest information and making it available to local citizens. Technology is also available to provide local governments with a seamless link between their Clerks Department and their website, automating the management and updating of public information such as meeting agendas and records.

## 3) Deploy cloud-based productivity and storage

Cloud-based productivity and storage solutions are an inexpensive alternative to hiring additional staff in an effort to serve the growing needs of the public. These cloud solutions lower costs by reducing the amount of in-house technology that governments need to configure, maintain and manage. Leading cloud-based productivity solutions offer subscription plans that let governments purchase only the services they need, and then scale up or down easily as their requirements change. Cloud solutions also provide a high level of security, compliance with many recognized standards, and continuous software updates at no extra charge so that systems are always up to date.

## 4) Use data analytics and business intelligence

Local governments collect and have access to enormous amounts of data. Some of the agile new data analytics and business intelligence solutions can help governments gain valuable business insights into evolving trends, how their services are being used and by whom, and where future investments will provide the most benefits to the most people.

## 5) Go social for collaboration

Effective collaboration is a key component in the productivity and success of any organization, yet there are many challenges that can make effective collaboration hard to achieve. Geographic, functional and information silos within organizations can make it difficult for coworkers to communicate and collaborate efficiently to get things done, and data can get trapped on individual hard drives or inside specialized systems and applications. According to McKinsey, workers spend 61 percent of their work week reading and replying to email, searching for information, scheduling meetings, communicating with team members, and so on.<sup>3</sup> New technologies that bring the power of social networking to local governments and other organizations can make it much easier for workers to connect and collaborate effectively.

# Five ways cities can improve services and lower costs

1

Automate agenda and records management

2

Enhance citizen engagement

3

Deploy cloud-based productivity and storage

4

Use data analytics and business intelligence

5

Go social for collaboration

<sup>3</sup> "The Social Economy: Unlocking value and productivity through social technologies," McKinsey Global Institute, 2012

AgendaFree is an easy, cost-free step toward lean government. Simply sign up to start building paperless agenda packets today. [Register now.](#)

## Conclusion

As local governments face the continuing challenge of expanding and improving their services with no apparent relief from budget pressure, it is imperative that they find a variety of cost-efficient ways to streamline their internal processes and run a leaner operation that protects local government assets and does a better job of meeting community expectations while reducing or minimizing business risk.

## About iCompass

iCompass Technologies provides cloud-based meeting and records management solutions for local governments working under the guiding principle that software to improve efficiency and transparency should be available for any sized organization. iCompass most recently launched [AgendaFree](#), the first free paperless agenda management tool for local governments. For more information, visit [iCompassTech.com](http://iCompassTech.com).

