

Continuous Improvement in Governmental Management Practices

Summary

Ensuring the accountability and efficiency of public entities in Nevada County is the primary mission of the Nevada County Grand Jury. During the summer of 2011, the Nevada County Grand Jury concluded that the management practices employed by public agencies can have a powerful, long-lasting and positive impact on their accountability and efficiency. The term “management practices” refers to the programs and tools that managers use to create and maintain effective operations.

In order to promote this concept, the Nevada County Grand Jury conducted a county-wide survey to create a baseline inventory of management practices currently in use by all tax-supported entities. One hundred fifty-five surveys were mailed and seventy-two were returned (a 46% response rate).

Overall, the survey results indicated that a majority of the survey respondents used most of the key management practices included in the survey. It also found that the respondents scored best in the areas of human resource programs (e.g., compensation and job training) and accountability (e.g., mission statements and policies and procedures). The weakest scores came in the areas of leadership training, customer satisfaction surveys and the measurement of organizational efficiency. After interviewing many county employees and reviewing the survey results, the Nevada County Grand Jury found that there are many well-managed agencies serving the citizens of Nevada County, but that there are also opportunities for improvement.

The Nevada County Grand Jury recommends that the governing bodies and managements of every tax-supported entity within the county evaluate their management practices to ensure that key practices are established and used more effectively. In order to improve its own operations, the Nevada County Grand Jury recommends that all future juries regularly and frequently investigate the management practices used by public agencies in Nevada County.

Reasons for Investigation

During September 2011, the Nevada County Grand Jury (Jury) discussed how it could more proactively fulfill its primary mission of ensuring high levels of accountability and efficiency in local government. The Jury noted that many of the complaints it received had their roots in poor management practices.

As a result of these discussions, the Jury concluded that improved management practices would have a significant, positive influence on the accountability and efficiency of the county's public organizations. The Jury also concluded that it had no systematic, pro-active way to investigate the effectiveness of the management practices in use by the public agencies within the county.

Background

The management of an organization can have a powerful influence on its results for good or ill. The management practices of public agencies are just as important as those of private companies. Their missions, strategies, goals and monitoring systems have a major impact on the results citizens see every day. The way they motivate their employees and how they monitor their success have a lot to do with the every-day experience of citizens who use their services.

These are all issues that should be basic concerns of every county civil grand jury in California. However, very few civil grand juries have a systematic way of reviewing the management practices used by the tax-supported entities they are charged with reviewing.

When the Jury realized that its own operation could be improved by systematically investigating the management practices of the tax-supported entities in Nevada County, it decided to change its operating procedures to embed this kind of activity into its on-going procedures.

Procedures Followed

The Jury interviewed numerous officials serving the county. The Jury also developed a survey that asked each agency in the county if it used specified management practices, whether these practices were current and whether those practices were in writing. The survey also asked the respondents to rate their organizations, on a scale of 1 (Excellent) to 5 (Poor), on their use of these management practices. The survey's purpose was to establish a baseline of the management practices used by local public entities during the 2011-12 fiscal year. The respondents to the survey were primarily those engaged in the day-to-day management of the operations of each entity; however, surveys were also sent to a member of the governing body of some entities.

Facts

General

- F.A.1.** The Jury's mission is to ensure the accountability and efficiency of Nevada County's tax-supported agencies.
- F.A.2.** An organization's management practices can have a lasting, positive impact on its accountability and efficiency.
- F.A.3.** The Jury receives many complaints that have their roots in poor management practices.
- F.A.4.** The Jury has not had a systematic, pro-active method for investigating management practices.
- F.A.5.** A review done by the Jury concluded that the systematic and pro-active review of management practices was performed by few county grand juries in California.
- F.A.6.** The Jury had a committee called "Audit and Finance."
- F.A.7.** The Jury changed the name of the Audit and Finance Committee to the "Finance and Management Committee."
- F.A.8.** The role of the Finance and Management Committee was broadened to include the coordination of the Jury's efforts with regard to the investigation of management practices.
- F.A.9.** The Jury formally charged each its committees with the responsibility to investigate the management practices of the entities under their jurisdiction.
- F.A.10.** The Jury began an investigation of management practices with a county-wide survey that would provide a snapshot of management practices currently in use.
- F.A.11.** The survey would provide a useful baseline against which the results of any future surveys could be compared.
- F.A.12.** The Jury conducted a survey of management practices in use by all tax-supported agencies within Nevada County between November 2011 and March 2012.
- F.A.13.** Surveys were sent to 155 individuals in approximately ninety-five organizations or departments.
- F.A.14.** Seventy-two completed surveys were returned, representing fifty-two organizations or departments.
- F.A.15.** The survey asked the respondents questions concerning eighteen distinct management practices that were separated into four categories: Accountability;

Human Resources; Customer Satisfaction/Communication and Efficiency (see Attachment 1).

- F.A.16.** The survey asked the respondents to indicate which of the various management practices existed within their organization, which were current at the time of the survey and which were in writing.
- F.A.17.** The survey asked the respondents to provide self-ratings with respect to the effectiveness of each management practice on a scale of 1 (Excellent) to 5 (Poor).
- F.A.18.** The survey asked the respondents to provide commentary to explain their answers.
- F.A.19.** The Jury's 2011-12 county-wide survey of management practices investigated only whether certain practices were used by the public agencies. Other than asking the agencies to rate themselves with respect to each management practice, the Jury made no attempt to investigate the quality of the practices in place.

“Accountability” Results

- F.A.20.** Most organizations scored well in the Accountability category.
- F.A.21.** All organizations of size (over twenty employees) had Mission Statements and Policies and Procedures manuals.
- F.A.22.** Only one in twelve (8%) failed to assess the degree to which their organization achieved its objectives.
- F.A.23.** Almost a quarter of all respondents had no strategic plan. Some of these organizations were small and some said that they were developing a strategic plan.
- F.A.24.** One in eight (12%) agencies said that they did not establish goals for their organization.

“Human Resources” Results

- F.A.25.** In the aggregate, the responding agencies scored best in this category.
- F.A.26.** Almost all respondents had current compensation policies and some form of job-related training.
- F.A.27.** One in twelve (8%) respondents had not established objectives for each of their employees and one in eight (12%) had no leadership development program.

“Customer Satisfaction/Communication” Results

- F.A.28.** Almost all organizations responding to the survey said that they had some method for employee and citizen feedback.
- F.A.29.** One-third of the respondents said that they had no formal way of obtaining customer feedback.
- F.A.30.** Most respondents said that they regularly interacted with other public and private organizations.
- F.A.31.** One in nine organizations (11%) said that they had no regular way of communicating with the public.

“Efficiency” Results

- F.A.32.** Almost all respondents said that they had budgets, organizational charts and systems to identify process improvements in place.
- F.A.33.** One in six (16%) said that they did not have a way to measure their organization’s efficiency.

Overall

- F.A.34.** A notable minority of respondents’ practices were neither current nor in writing.
- F.A.35.** A subjective review done by the Jury indicated that about half of the responses contained high-quality commentary and about half contained poor or no commentary.
- F.A.36.** A subjective review done by the Jury indicated that some of the most expansive and insightful comments came from those respondents who gave their organizations the lowest relative ratings.
- F.A.37.** A subjective review done by the Jury indicated that the least expansive and least insightful comments came from those respondents who gave their organizations the highest relative ratings.
- F.A.38.** Some respondents assigned their organizations the highest possible ratings in all categories with no commentary at all.
- F.A.39.** A subjective review done by the Jury indicated that some of the poorest relative ratings were submitted by those organizations with high standards and professional managers.

Findings

- F.I.1.** The Jury should investigate management practices systematically and pro-actively.
- F.I.2.** All county grand juries in California should investigate management practices systematically and pro-actively.
- F.I.3.** While the results of the Jury's 2011-12 county-wide survey demonstrated that many public agencies have most of the key management practices in place, it did not attempt to measure the quality of those practices.
- F.I.4.** The results of the Jury's 2011-12 county-wide survey demonstrated that many public agencies have multiple opportunities to improve their management practices.
- F.I.5.** The public agencies in Nevada County should strive for continuous improvement in their management practices to better serve the county's citizens.
- F.I.6.** The respondents who were the most self-critical provided the most insight into their operations, held the best ideas on how to fix any problems and appeared to be the most honest, best informed and most pro-active managers.

Recommendations

The Jury recommends that:

- R.1.** The governing bodies and management of every tax-supported entity evaluate the management practices for their organizations to ensure that key practices are established and used more effectively.
- R.2.** Future Nevada County Grand Juries regularly and frequently investigate the management practices used by public agencies, including the effectiveness of those practices.

Responses

No responses are required.