

Innovations and Emerging Practices in Local Government 2016 Survey Summary Report of Results

Introduction

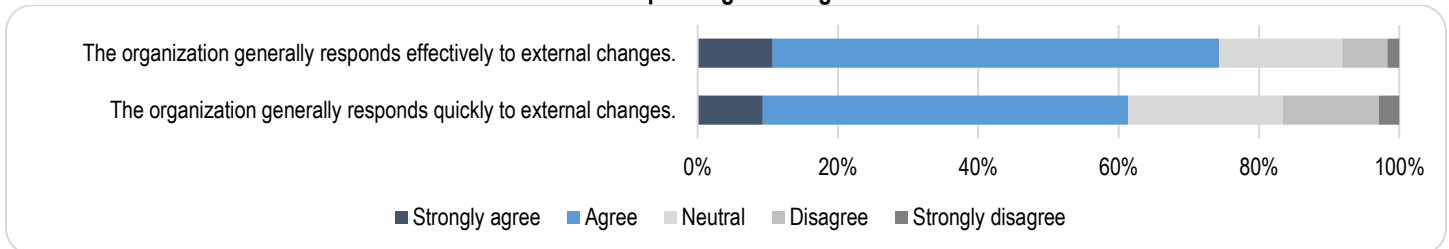
The Innovations and Emerging Practices in Local Government 2016 Survey is part of an ongoing research partnership between the International City/County Management Association, the Center for Urban Innovation at Arizona State University, and the Alliance for Innovation. This survey explores various topics related to public sector innovation as well as newly emerging issues and practices affecting local government management. Specific topics addressed in the survey include innovation and change in local government, performance data analytics, public engagement, regulation of the sharing economy (i.e., Uber, AirBnB, etc.), and infrastructure financing. The survey was launched in April 2016 via postal mail to a sample of 5,450 U.S. local governments, and an option for online submission was also made available. The survey sample included all local governments with a population of 250,000 or greater, and one in three local governments selected at random from communities with populations less than 250,000. Responses were received from 599 of the governments surveyed, yielding a response rate of 11.0% and an overall margin of error of +/- 3.9%.

Survey Highlights

Innovation and Change

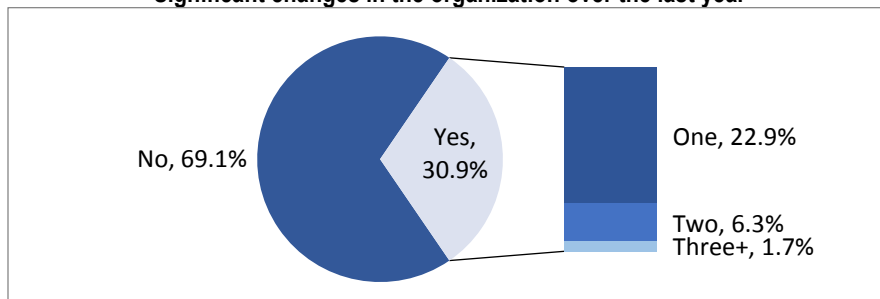
Most survey respondents agree or strongly agree that their organizations respond both quickly and effectively to external changes, though effectiveness of responding to change (74.3%) was rated higher than quickness of responding to change (61.3%).

Responding to change



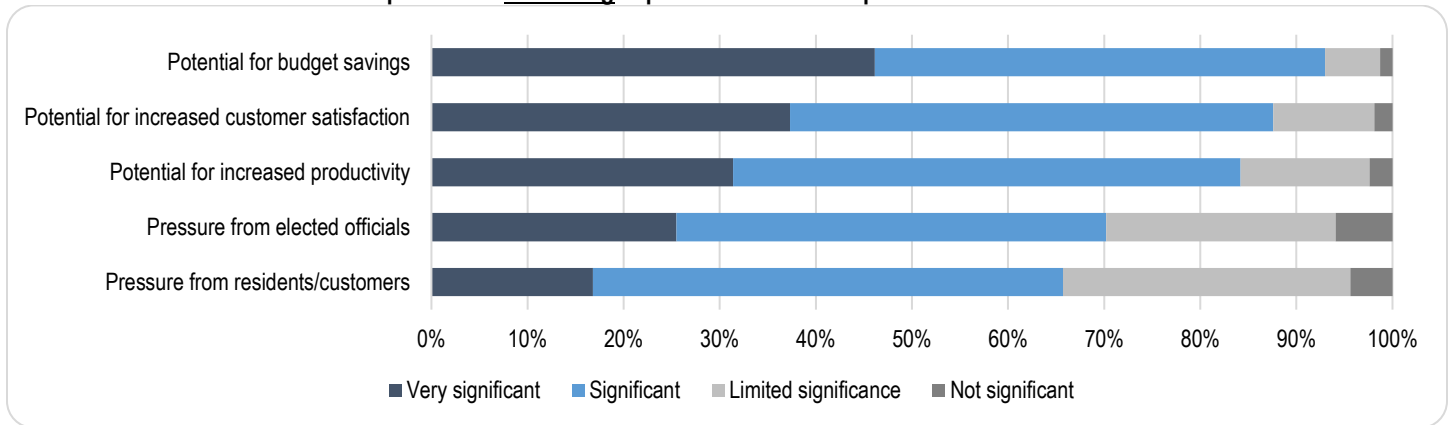
The results highlight the extent to which local government organizations are engaging in new innovative and emerging practices. Almost one in three of all cities and counties are implementing significant changes to their organizations each year.

Significant changes in the organization over the last year



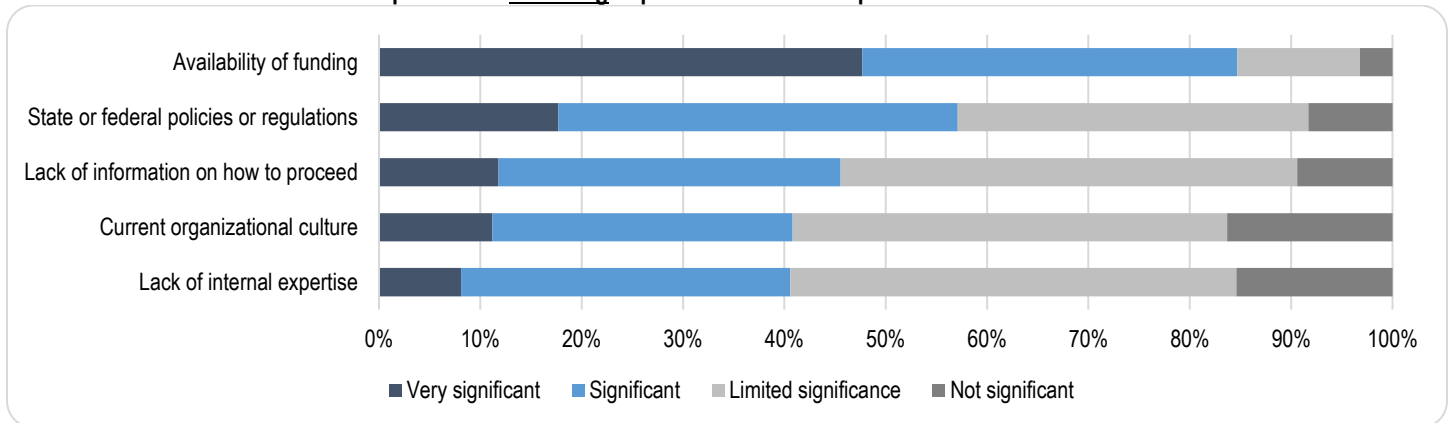
Potential for budget savings was identified by survey respondents as the most significant factor motivating the implementation of new practices or initiatives in their local government, with 92.9% of respondents identifying this as either a significant or very significant factor. This was followed by the potential for increased customer satisfaction (87.6%) and the potential for increased productivity (84.2%).

Top 5 factors motivating implementation of new practices or initiatives



The most significant barrier to the implementation of new practices or initiatives was the availability of funding, with 84.7% of respondents identifying this as either a significant or very significant factor. State or federal policies or regulations (57.1%) and lack of information (45.6%) were also among the most significant barriers identified by respondents.

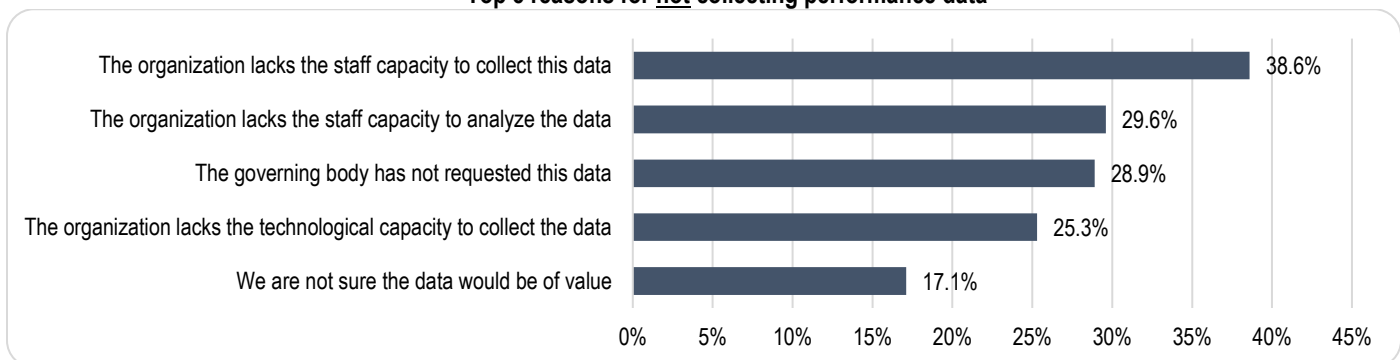
Top 5 factors hindering implementation of new practices or initiatives



Performance Data Analytics

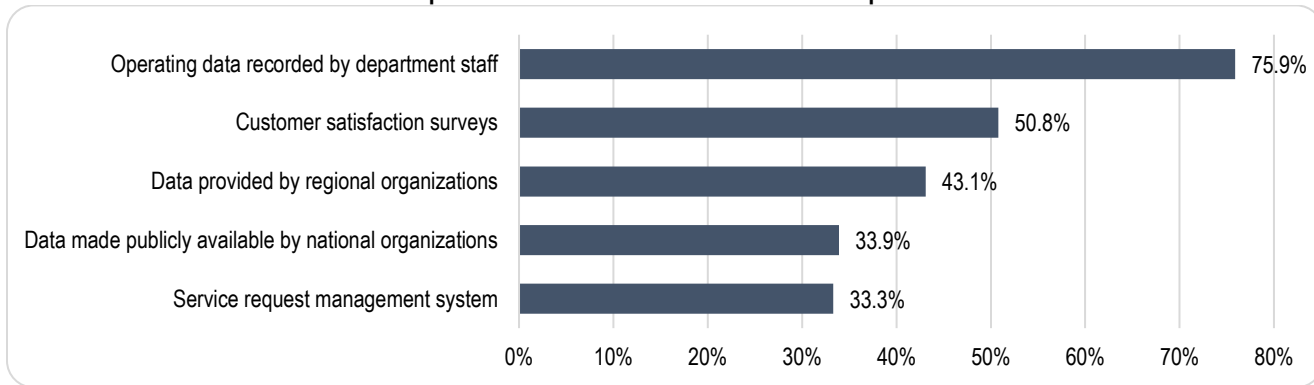
More than half of responding governments (59.0%) reported that they do not currently collect performance data to assess the quality of service provision. The most commonly cited reasons for not collecting performance data included lack of staff capacity to collect data (38.6%), lack of staff capacity to analyze data (29.6%), and the governing body not requesting performance data (28.9%).

Top 5 reasons for not collecting performance data



The most common source of performance data reported by survey respondents was operating data recorded by department staff (75.9%). Customer satisfaction surveys (50.8%) and information provided by regional organizations (43.1%) were also among the most commonly reported sources of local government performance data.

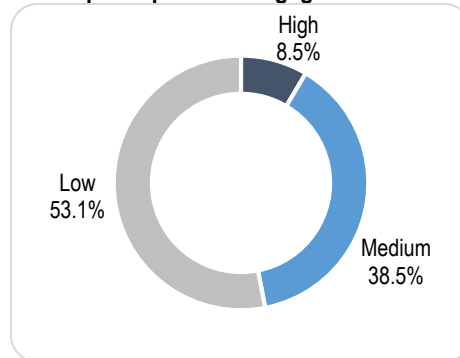
Top 5 sources of information used to collect performance data



Public Engagement

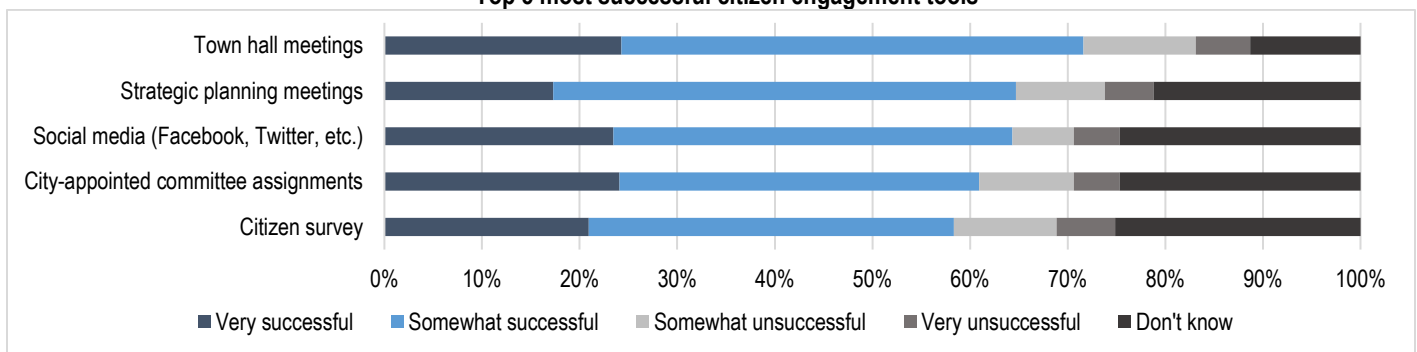
Most survey respondents (53.1%) reported low levels of citizen participation in the local government's engagement initiatives or efforts.

Level of citizen participation in engagement efforts/initiatives



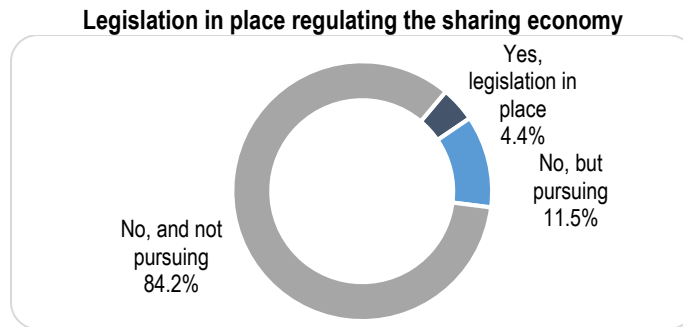
Town hall meetings were the citizen engagement tool most commonly identified as being successful in meeting participation goals, with 71.7% of respondents rating this tool as being successful or very successful. Strategic planning meetings (64.7%) and social media (64.4%) were also identified among the most successful citizen engagement tools.

Top 5 most successful citizen engagement tools



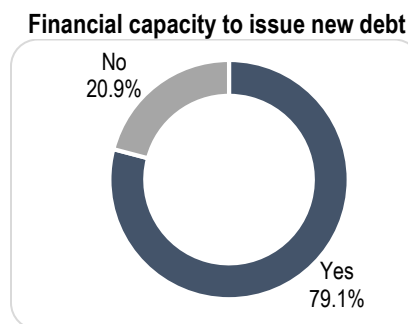
Regulation of the Sharing Economy

The vast majority of responding governments (95.7%) do not have legislation in place regulating the sharing economy (i.e., Uber, AirBnB, etc.), but 11.5% of respondents reported that they are currently pursuing such legislation.



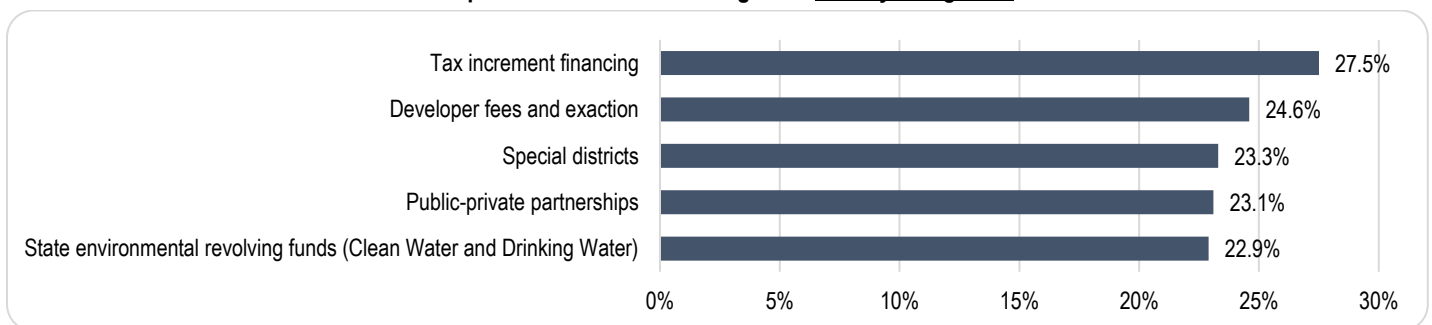
Infrastructure Financing

More than one in five responding local governments (20.9%) do not have the capacity within applicable debt caps to issue new debt in order to finance infrastructure improvements.



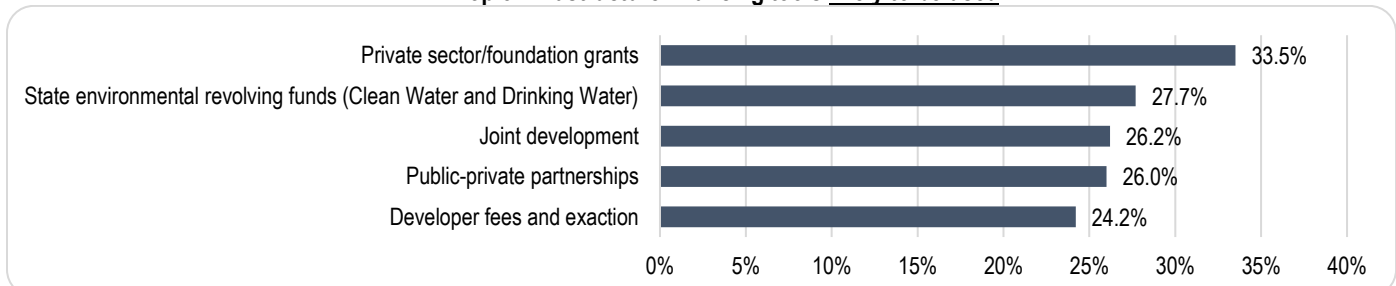
Aside from traditional infrastructure financing mechanisms, such as general obligation bonds and state/federal funding, the most commonly reported infrastructure financing tools already being used included tax increment financing (27.5%), developer fees and exaction (24.6%), and special districts (23.3%).

Top 5 infrastructure financing tools already being used



Aside from traditional infrastructure financing mechanisms, the most commonly reported infrastructure financing tools that respondents would be likely to use included private sector/foundation grants (33.5%), state environmental revolving funds (27.7%), and joint development (26.2%).

Top 5 infrastructure financing tools likely to be used



Summary of Survey Results

Innovation and Change

1. Please indicate the extent to which you agree or disagree with the following statements regarding your government's organization.

	n	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a. The organization generally responds quickly to external changes.	590	2.9%	13.7%	22.0%	52.0%	9.3%
b. The organization generally responds effectively to external changes.	591	1.7%	6.4%	17.6%	63.6%	10.7%
c. Information on successful new practices is easily shared within the organization.	588	1.5%	9.2%	21.8%	55.8%	11.7%
d. The organization regularly obtains information on successful new practices from other local governments.	589	1.0%	9.5%	25.6%	53.3%	10.5%
e. The organization regularly shares information on successful new practices with other local governments.	588	2.0%	10.9%	29.4%	48.5%	9.2%

2. Have there been any changes to your government's organizational structure over the last year (i.e., creation/dissolution of a new department or office, consolidation of two or more departments, etc.)?

n = 572

69.1% No

30.9% Yes, please describe

3. How significant is each of the following factors in motivating the implementation of new practices or initiatives in your government?

	n	Not significant	Limited significance	Significant	Very significant
a. Potential for budget savings	594	1.3%	5.7%	46.8%	46.1%
b. Potential for increased productivity	589	2.4%	13.4%	52.8%	31.4%
c. Potential for increased customer satisfaction	592	1.9%	10.5%	50.3%	37.3%
d. Pressure from residents/customers	589	4.4%	29.9%	48.9%	16.8%
e. Pressure from businesses/industry	591	9.1%	38.9%	40.3%	11.7%
f. Pressure from employees or unions	590	17.3%	39.8%	36.6%	6.3%
g. Pressure from elected officials	589	5.9%	23.9%	44.7%	25.5%
h. Other	88	44.3%	20.5%	15.9%	19.3%

4. How significant is each of the following factors in hindering the implementation of new practices or initiatives in your government?

	n	Not significant	Limited significance	Significant	Very significant
a. Availability of funding	589	3.2%	12.1%	37.0%	47.7%
b. Lack of information on how to proceed	586	9.4%	45.1%	33.8%	11.8%
c. Current organizational structure	588	18.0%	48.6%	25.3%	8.0%
d. Current organizational culture	588	16.3%	42.9%	29.6%	11.2%
e. Resistance from employees or unions	587	25.2%	44.5%	25.0%	5.3%
f. State or federal policies or regulations	587	8.3%	34.6%	39.4%	17.7%
g. Lack of internal expertise	591	15.4%	44.0%	32.5%	8.1%
h. Challenges coordinating across agencies/departments	590	20.0%	45.4%	28.3%	6.3%
i. Lack of public interest	586	20.6%	49.7%	23.5%	6.1%
j. Opposition from elected officials	587	18.6%	42.9%	26.4%	12.1%
k. Other	43	58.1%	18.6%	16.3%	7.0%

5. Please describe any new process, service delivery arrangement, or other innovation that the organization has undertaken in the past three years. If multiple initiatives have been implemented by your organization in the past three years, please describe the initiative that you would identify as the most significant.

See full dataset for open-ended responses

6. Please describe a new process, service delivery arrangement, or other innovation undertaken by your organization in the past three years that you feel was not successful. Please also describe the factors that you would identify as the major contributors to this outcome.

See full dataset for open-ended responses

7. Specifically considering each of the areas identified in the columns below, how do executives in your government learn about successful new practices or initiatives for potential implementation? (Check all that apply.)

	n	Performance data analytics	Public engagement	Regulation of the sharing economy (i.e., Uber, AirBnB)	Infrastructure financing	Initiative described in question 5
a. Internal staff expertise	427	51.3%	68.4%	18.7%	45.7%	30.0%
b. External consultants	402	42.0%	45.5%	17.7%	48.8%	18.9%
c. Information exchange with other local governments	417	45.6%	67.9%	30.9%	36.0%	21.8%
d. State government	350	30.0%	40.3%	29.7%	40.9%	8.9%
e. Federal government	275	26.9%	39.6%	27.3%	33.1%	4.4%
f. International examples	156	32.7%	50.6%	20.5%	6.4%	5.8%
g. Professional associations	407	59.5%	71.7%	36.4%	39.6%	12.5%
h. Academic publications	284	52.1%	58.8%	23.6%	18.7%	6.7%
i. News media	312	17.9%	74.7%	33.0%	10.6%	4.8%
j. Conferences and webinars	405	58.3%	68.1%	31.1%	39.5%	14.1%
k. Other	26	19.2%	26.9%	30.8%	19.2%	26.9%

8. Specifically considering each of the areas identified in the columns below, how do executives in your organization share information on successful new practices or initiatives? (Check all that apply.)

	n	Performance data analytics	Public engagement	Regulation of the sharing economy (i.e., Uber, AirBnB)	Infrastructure financing	Initiative described in question 5
a. Public meetings	451	36.1%	90.2%	14.6%	38.8%	23.3%
b. Press releases	392	26.0%	84.7%	11.0%	25.5%	19.4%
c. Website	425	38.8%	86.1%	11.1%	28.0%	21.4%
d. Printed publications	353	34.3%	78.5%	9.9%	21.8%	16.1%
e. Presentations at conferences and events	305	38.4%	69.5%	12.8%	24.9%	17.0%
f. Professional associations	327	43.4%	65.7%	17.7%	27.8%	16.2%
g. Information exchange with other local governments	387	48.1%	71.1%	22.0%	31.0%	19.6%
h. Social media	359	29.8%	88.6%	10.3%	16.4%	18.1%
i. Other	22	18.2%	59.1%	4.5%	13.6%	22.7%

Performance Data Analytics

9. Does your local government collect performance data to help assess the quality of service provision?

n = 554

41.0% Yes [Go to Question 11.] 59.0% No

10. If no, why not? (Check all that apply.)

n = 554

- 28.9% a. The governing body has not requested this data
- 38.6% b. The organization lacks the staff capacity to collect this data
- 25.3% c. The organization lacks the technological capacity to collect the data
- 29.6% d. The organization lacks the staff capacity to analyze the data
- 6.3% e. Our local media are likely to interpret the data negatively
- 17.1% f. We are not sure the data would be of value
- 5.6% g. Other, please specify

11. Which of the following sources of information are used to collect performance data in your government? (Check all that apply.)

n = 378

- 13.2% a. 311 or customer call center records
- 33.3% b. Service request management system
- 50.8% c. Customer satisfaction surveys
- 33.9% d. Data made publicly available by national organizations
- 43.1% e. Data provided by regional organizations
- 11.6% f. Data purchased from private entities
- 75.9% g. Operating data recorded by department staff
- 12.2% h. Information captured through smart phone applications
- 18.8% i. Information captured digitally through smart technology applications (smart meters, smart street lights, etc.)
- 2.1% j. Other, please specify

12. Please indicate the extent to which performance data is used for each of the following purposes in your organization.

	n	Not used	Used very little	Used moderately	Used considerably	Don't know
a. Informing elected officials	505	14.1%	11.9%	36.2%	33.7%	4.2%
b. Informing the public	505	14.5%	15.8%	39.0%	26.9%	3.8%
c. Justifying and formulating budget requests	503	12.9%	8.5%	33.8%	40.8%	4.0%
d. Identifying areas for investigation to fix performance problems	501	17.8%	13.2%	34.7%	28.9%	5.4%
e. Motivating personnel to continue program improvements	501	19.8%	18.2%	34.1%	22.0%	6.0%
f. Monitoring performance of contractors	501	24.4%	20.6%	28.5%	19.8%	6.8%
g. Supporting strategic, long-term planning efforts	500	15.8%	18.0%	29.8%	30.4%	6.0%
h. Building public trust	502	16.3%	17.9%	35.7%	24.7%	5.4%
i. Providing better services more efficiently	499	15.0%	12.0%	33.5%	34.9%	4.6%

Public Engagement

13. Please indicate the extent to which you agree or disagree with the following statements as they pertain to your local government.

	n	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a. Attention is primarily focused on the minimum legal requirements for public engagement, including public comment periods and hearings.	543	12.9%	32.6%	23.2%	26.7%	4.6%
b. There are few public engagement practices beyond minimum requirements, and they vary by department.	538	9.9%	36.6%	22.5%	27.3%	3.7%
c. There are expectations that more extensive and deliberative public engagement beyond minimum requirements will be used for local decision-making, (e.g., budgeting and general plans).	539	2.4%	10.4%	31.7%	44.2%	11.3%
d. There is an adopted set of principles that generally define and encourage the use of effective and inclusive public engagement when/as appropriate.	539	3.3%	17.1%	34.0%	39.0%	6.7%
e. Partnerships are developed with neighborhood and community organizations to involve the public in appropriate public engagement activities over time.	538	2.8%	10.6%	31.8%	43.1%	11.7%
f. There is an established and ongoing body, process, or protocol that provides community representatives with input into the direction, operation, and adaptation of a public engagement plan or set of practices.	537	5.2%	19.4%	35.8%	31.5%	8.2%

14. How important to your local government are the following goals of public participation? (If your local government does not have a particular goal, check "Not applicable")

	n	Not at all important	Slightly important	Moderately important	Important	Highly important	Not applicable
a. Provide the public with objective information to assist them in understanding problems/solutions/alternatives.	536	0.7%	3.9%	10.8%	39.4%	35.6%	9.5%
b. Obtain feedback from the public on analyses of problems/solutions/alternatives.	534	1.3%	6.7%	20.6%	37.3%	22.8%	11.2%
c. Work directly with the public to ensure that their concerns and aspirations are consistently understood and considered.	536	0.7%	3.2%	17.5%	39.7%	29.7%	9.1%
d. Partner with the public in development of alternatives, identification of the preferred solution, and decision making.	534	1.5%	9.7%	21.7%	37.3%	18.9%	10.9%
e. Place decision making in the hands of the public.	529	14.4%	23.3%	20.0%	14.9%	4.3%	23.1%
f. Hear input/ideas from a broad cross-section of residents.	535	1.1%	5.8%	15.5%	34.4%	33.5%	9.7%

15. Please rate the extent to which each of the following citizen engagement tools is used in your jurisdiction.

	n	Never	Rarely	Moderately	Regularly	Frequently	Don't know
a. Town hall meetings	543	7.7%	17.3%	24.7%	29.1%	19.2%	2.0%
b. Participatory budgeting	535	17.2%	28.8%	19.1%	24.9%	7.3%	2.8%
c. Participatory design	531	24.1%	27.1%	23.5%	14.7%	3.2%	7.3%
d. 311 phone system	528	66.3%	7.8%	5.1%	3.8%	2.1%	15.0%
e. Neighborhood association notification of land use changes in their area	532	26.1%	13.5%	16.2%	23.5%	12.2%	8.5%
f. Neighborhood association decision control over some budget amount	530	57.4%	18.5%	9.4%	4.3%	0.8%	9.6%
g. Citizen code enforcement deputies	530	59.8%	10.2%	7.7%	11.1%	3.0%	8.1%
h. Strategic planning meetings	531	11.7%	22.6%	33.7%	21.8%	7.7%	2.4%
i. Citizen survey	535	17.6%	32.9%	27.3%	12.1%	6.7%	3.4%
j. Referenda, initiatives, recalls	531	35.4%	38.6%	10.5%	5.8%	1.7%	7.9%
k. City-appointed committee assignments	532	13.0%	16.2%	21.4%	26.5%	19.0%	3.9%
l. Citizen review board	533	40.5%	21.8%	15.2%	11.4%	4.3%	6.8%
m. Citizen academies	529	47.6%	18.1%	10.0%	11.3%	4.3%	8.5%
n. Neighborhood association control over zoning changes	531	59.1%	15.6%	11.3%	5.8%	1.7%	6.4%
o. Online engagement platforms (Peak Democracy, Budget Allocator, etc.)	530	58.9%	14.3%	8.5%	6.2%	2.5%	9.6%
p. Social media (Facebook, Twitter, etc.)	533	19.1%	10.7%	18.4%	24.6%	22.9%	4.3%

16. Please rate how successful each of these tools has been at meeting your jurisdiction's participation goals.

	n	Very unsuccessful	Somewhat unsuccessful	Somewhat successful	Very successful	Don't know
a. Town hall meetings	540	5.6%	11.5%	47.4%	24.3%	11.3%
b. Participatory budgeting	506	8.5%	15.2%	30.6%	15.6%	30.0%
c. Participatory design	500	8.2%	13.2%	27.8%	12.0%	38.8%
d. 311 phone system	477	10.9%	4.2%	6.7%	4.0%	74.2%
e. Neighborhood association notification of land use changes in their area	498	6.6%	7.2%	30.1%	14.9%	41.2%
f. Neighborhood association decision control over some budget amount	476	8.8%	6.3%	12.0%	4.4%	68.5%
g. Citizen code enforcement deputies	481	9.8%	5.8%	17.3%	6.7%	60.5%
h. Strategic planning meetings	515	5.0%	9.1%	47.4%	17.3%	21.2%
i. Citizen survey	513	6.0%	10.5%	37.4%	20.9%	25.1%
j. Referenda, initiatives, recalls	491	9.8%	9.0%	17.7%	7.5%	56.0%
k. City-appointed committee assignments	515	4.7%	9.7%	36.9%	24.1%	24.7%
l. Citizen review board	477	7.5%	7.3%	22.4%	9.9%	52.8%
m. Citizen academies	483	8.5%	8.5%	11.2%	14.3%	57.6%
n. Neighborhood association control over zoning changes	463	8.9%	5.8%	15.6%	3.0%	66.7%
o. Online engagement platforms (Peak Democracy, Budget Allocator, etc.)	471	9.1%	5.7%	13.0%	3.6%	68.6%
p. Social media (Facebook, Twitter, etc.)	511	4.7%	6.3%	40.9%	23.5%	24.7%

17. How would you characterize the level of citizen participation in your local government's engagement efforts/initiatives?

n = 556

- 53.1% a. Low: small number of regular participants
- 38.5% b. Medium: some representation across different parts of the community depending on the issue
- 8.5% c. High: regular representative group of community members on issues of importance

Regulation of the Sharing Economy

Recent years have seen a rise in the use of sharing economy platforms related to an array of service areas, such as ride sharing (e.g. Uber and Lyft) and private residence rentals (e.g. AirBnB).

18. Does your organization have or are you currently pursuing new legislation specifically focused on regulating users, private providers, or corporate entities in the sharing economy?

n = 549

- 4.4% Yes, legislation in place
- 11.5% No, but pursuing legislation
- 84.2% No, and not pursuing legislation

19. Have any of the following constituent groups in your jurisdiction been active in advocating for or against regulation of the sharing economy?

	n	No, not active advocates	Yes, advocates in favor of regulation	Yes, advocates opposed to regulation	Not sure	Not applicable
a. Individual residents	539	42.5%	8.7%	5.0%	18.9%	24.9%
b. Homeowners associations	530	42.6%	6.0%	1.7%	18.3%	31.3%
c. Individual businesses	529	42.5%	7.0%	4.3%	19.8%	26.3%
d. Taxi industry	528	39.8%	6.3%	0.9%	14.4%	38.6%
e. Local tourism industry	532	40.6%	8.1%	3.0%	16.5%	31.8%
f. Labor unions or employee groups	527	45.7%	2.5%	0.8%	16.1%	34.9%
g. Local nonprofits or foundations	526	45.1%	4.4%	1.3%	21.1%	28.1%
h. Local colleges or universities	527	42.1%	1.5%	0.0%	17.3%	39.1%
i. Other, please specify	130	21.5%	4.6%	0.8%	12.3%	60.8%

Infrastructure Financing

20. On a scale of 1 to 3, how would you rate the current status of your jurisdiction's core infrastructure assets (roads, bridges, sewer, sidewalks, etc.)?

n = 538

- 39.2%** 1. The current state of the jurisdiction's infrastructure needs requires additional local, state, and/or federal funding to sustain even baseline maintenance. The community's needs do not match the current infrastructure stock. The current state of local infrastructure adversely affects the community's quality of life.
- 48.3%** 2. Improvements could be made to the current infrastructure and additional funding is preferred, but the current infrastructure status does not adversely affect the community's quality of life.
- 12.5%** 3. The current state of the jurisdiction's infrastructure meets the community's needs and an adequate level of funding is available to maintain and developed the assets, as needed.

21. Which of the following options best describes your government's infrastructure financing strategies? (Select one.)

n = 525

- 37.9%** Predominantly pay as you go (PAYGO) or cash
- 16.0%** Predominantly financed through debt
- 41.7%** A balanced approach of PAYGO and debt
- 4.4%** Other, please specify

22. Does your government issue general obligation (GO) bonds?

n = 534

- 53.2%** Yes
- 46.8%** No

23. Does your government have the financial capacity (within any applicable debt caps) to issue additional debt for infrastructure improvements, if needed?

n = 532

- 79.1%** Yes
- 20.9%** No

24. In general, do you believe that your local government has the needed level of support of residents to consider issuing additional municipal debt, to address infrastructure needs?

n = 531

- 57.4%** Yes
- 42.6%** No

25. In general, do you believe that your local government's elected officials are open to considering issuing additional municipal debt, to address infrastructure needs?

n = 531

- 65.7%** Yes
- 34.3%** No

26. Aside from traditional infrastructure financing mechanisms (GO bonds, state/federal funding, general expenditures, etc.) cities/counties *may* have other available options. Please indicate whether your local government has or, in the next five years, will likely use any of the following options for infrastructure financing:

	n	Already use	Likely to use	Unlikely to use	This option is not currently available due to local restrictions	This option is not currently available due to state restrictions	Don't know
a. Public-private partnerships	520	23.1%	26.0%	22.5%	1.5%	2.3%	24.6%
b. Privatization of assets	512	4.3%	6.3%	59.0%	2.7%	2.5%	25.2%
c. Private sector/foundation investments	507	9.1%	20.5%	41.0%	1.8%	2.2%	25.4%
d. Private sector/foundation grants	516	15.1%	33.5%	28.7%	1.0%	1.9%	19.8%
e. Institutional investment (from pension, insurance, and other public/private funds)	513	2.3%	5.5%	55.6%	2.5%	4.7%	29.4%
f. Crowdfunding	516	1.7%	6.2%	51.9%	1.2%	2.7%	36.2%
g. Social impact bonds	511	0.0%	2.0%	52.8%	1.2%	2.7%	41.3%
h. Green bonds	515	0.6%	4.7%	49.9%	1.6%	1.9%	41.4%
i. Local infrastructure-specific tax	515	18.4%	22.5%	34.0%	1.9%	2.9%	20.2%
j. Developer fees and exaction	516	24.6%	24.2%	27.1%	0.8%	2.3%	20.9%
k. Tax increment financing	510	27.5%	22.2%	27.8%	1.6%	3.1%	17.8%
l. Special districts	510	23.3%	20.6%	32.2%	1.2%	1.6%	21.2%
m. Joint development	511	12.3%	26.2%	30.7%	0.8%	1.8%	28.2%
n. Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loans	510	2.9%	12.4%	43.7%	1.4%	1.4%	38.2%
o. State infrastructure banks loans	509	10.0%	20.8%	35.8%	1.0%	3.3%	29.1%
p. State environmental revolving funds (Clean Water and Drinking Water)	516	22.9%	27.7%	25.4%	0.8%	1.2%	22.1%
q. GARVEE bonds (Grant Anticipation Revenue Vehicle Bonds)	512	0.6%	5.1%	49.0%	1.2%	2.3%	41.8%
r. Revenue bonds	509	22.4%	21.8%	30.6%	0.8%	1.2%	23.2%
s. Other, please specify	59	18.6%	13.6%	23.7%	1.7%	1.7%	40.7%

For additional information about the Innovations and Emerging Practices in Local Government 2016 Survey, please contact ICMA Survey Research at surveyresearch@icma.org.