

# The Bottom Line

Frank Benest

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ost citizens view their communities' budgets as bureaucratic mumbo-jumbo with little relationship to their key interests or aspirations. Most local government officials see budget formulation as a dreary technical process. The problem is that local governments overlook the annual budget process as an opportunity to engage citizens in setting community goals and priorities and create public support.

In a democracy, citizens have the right to know. Local government cannot govern effectively without people's knowledge and consent. So, in normal times, it is prudent for local government to educate and inform community members about the governing process, particularly the budget process. However, these are not normal times. Local governments face dwindling resources, increasing demands for resources, and growing citizen mistrust—further constraining their ability to govern and solve problems. In these difficult times, the budget process can give local government the chance to win public support for community choices, to identify creative approaches for engaging citizens, and to communicate the mission, goals, and performance of local government.

**Local governments are confronted with decreasing resources and increasing demand for services. In this brave new world, local government budgets become powerful tools in addressing hard choices and conscious trade-offs in deciding how to spend scarce dollars.**

## **Finding a Need and Filling It**

Marketing entails assessing people's needs and desires and then responding with appropriate services, products, or opportunities. Consequently, marketing the local government budget entails identifying people's needs, desires, values, dreams, and fears and then responding with a budget that funds opportunities, experiences, and services related to these citizen needs and desires.

This effort also must produce a document that is understandable and that communicates how local government responds to people's values and concerns. This does not mean selling the budget plan to the public after the governing body has already approved it. By that time, it is too late.

If residents or businesspeople do not perceive value—a sincere effort by government officials to listen and engage them in tough community choices, or a budget plan that clearly addresses their heartfelt issues—they will not provide value with their participation in budget surveys or workshop discussions with government officials or their support of budget decisions and choices. To be successful, local government must move from monologue to dialogue.

## **Informing and Educating Citizens**

Generally, local budgets are developed by staff with or without significant guidance from elected officials. The typical budget hearing is the most prevalent way in which local governments try to involve citizens in the budget process. Relying solely on the public hearing, however, is too little, too late.

When many government officials talk about marketing the budget, their emphasis is usually on informing and educating the public. Informing and educating are certainly important. People need to understand what the budget process involves, some basic budget terms and what they mean, and a historical context of possible budget choices. Efforts to de-

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mystify the budget process, including budget classes, citizen guides, and budget presentations to neighborhood groups, are usually considered end points in the communication and marketing process. In fact, informing and educating are merely preludes to authentic two-way communication with citizens.

## **Engaging Citizens in the Process**

As opposed to “telling and selling,” engaging citizens in the budget process is “listening,” then responding, then listening some more. Most local governments start with informing and educating citizens about the budget and asking for their input. However, in an authentic marketing mode, government officials need to start with listening to and eliciting people's values, hopes, dreams, aspirations, concerns, and fears.

When one asks, “What do we love about our community?” people of differing ideologies usually come up with nearly identical or complementary value responses. Value discussions provide a common ground on which people can begin discussing issues among them-

selves and with government officials as neighbors, not enemies. The other positive aspect of focusing on citizen values and visions is that you begin to shift the emphasis from department needs to citizen perspectives and values.

Some local governments have used creative approaches to elicit value statements from citizens, including holding community value workshops, distributing surveys, and conducting citizen participation and visioning processes. By eliciting people's values, government can respond with appropriate services, experiences, opportunities, and a corresponding budget plan.

To be ultimately successful in engaging citizens, local government must take two steps to close the loop. First, it must actually and meaningfully use the values, issues, hopes, and concerns of the people to craft a vision for local government and to develop specific goals and budget proposals. Second, local government must report back to the citizens who participated in the process, as well to the public at large.

This reporting must summarize the information gathered from citizens and the results, how the data have been used. This demonstrates that local government leaders have heard and understood the values and messages that citizens have articulated, helps set public expectations for the budget and the anticipated changes, and limits attempts by special interest groups to unduly influence budget decision making.

It also will help local government develop relationships and rapport with citizens—undercutting the current level of mistrust and disenchantment between the public and government. This kind of relationship-building process will help the community address other issues as they arise in the future.

## **Better Communicating the Budget**

To improve communication about the budget, a local government needs a conscious plan. This blueprint often is



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called a communications and marketing plan. A “quick and dirty” communications and marketing plan includes some or all of the following elements: communications and marketing goals; target audiences and their interests; key messages; communication media, tools, and processes; budget, staffing, and other resources; staff and other assignments; and evaluation criteria.

Before reaching out to external audiences, a local government must first remember to communicate with employees. Employees and their representatives are stakeholders and have a vital interest in budget decisions. Therefore, they can either support or oppose difficult budget decisions. In addition, employees often live in the community or communicate as employees with residents and businesspeople each day. Local government also must reach out to other “family” members, such as volunteers and commission and committee members.

*Talking with Citizens about Money* is a new ICMA report that looks at how to involve citizens in responsible decision making on financial matters. Whether the subject is the budget, a bond issue, or a tax increase, citizens need to be invited into the decision-making process. Strategies and tips for attracting and holding citizen interest will help local government officials design a participatory process that informs citizens and leads to rational decisions. The nine-page report includes examples from several cities and counties.

To order *Talking with Citizens about Money* (item number 42274, \$14.95), contact ICMA's Distribution Center at 1-800/745-8780; fax, 301/206-9789.

To make budgets more meaningful, local governments need to retool budget documents. This means providing a budget overview that sets the tone, looks at the big picture, discusses external realities, and focuses on key messages for target audiences. Budget documents should also identify community values, make vision and goal statements, and link the budget to these values and statements. It is also helpful to structure the budget according to citywide strategies or across department service categories (as opposed to department activities or functions).

## A Final Word About Risk

During ordinary times, people may look at the budget as a meaningless bureaucratic document. Even worse, in this era of mistrust and cynicism, the budget process may be perceived as a way for politicians and bureaucrats to misappropriate or even “steal” money. In this cynical environment, a local government may be able to continue its delivery of services; however, it will be unable in the final analysis to govern effectively.

The problems facing local governments are difficult to solve, emotion-laden, and often divisive. Controversy is bound to arise as local government struggles to respond to gangs, the loss of business, drug abuse, and teen pregnancy. In this kind of environment, communication, marketing, and citizen participation are essential to the process of making tough choices, allocating scarce resources, and generating political support for proposed solutions. **DM**

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*Frank Benest is city manager of Brea, California. Information in this article, which first appeared in the League of Minnesota Cities monthly magazine, Minnesota Cities, is reprinted with permission from Marketing Your City Budget: Creative Ways to Engage Citizens in the Bottom Line, copyright 1997 The Innovation Groups. The book is available through ICMA (item number 42273). To order, call the ICMA Distribution Center at 1-800/745-8780; fax, 301/206-9789.*