

"Government Lite,"

Chapter 2

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This is a follow-up to an article that appeared in the July 1997 issue of *Public Management* introducing the author's "Government Lite" philosophy. To recap the definition, Government Lite involves a principle of governance that allows for cities or towns to incorporate and to provide municipal services while maintaining a tailored profile, in terms of staff and bureaucracy. This is accomplished by contracting out services, spinning out certain functions to other entities, though meanwhile focusing on those issues and services that are of utmost importance to the residents. You are concentrating your programmatic financial investment on what has been determined to be important.

These determinations of identity and priorities are manifest in the goal-setting process. In Florida, visioning can be accomplished during the preparation of a new city's comprehensive plan, which is required within three years of incorporation. For an existing city, this same process might be tied to a required update of an existing comprehensive plan. All new entities should pursue a comprehensive goal-setting engagement before determining staffing needs and organizational structure. You must know or suspect who you are before you can determine what you need.

Local Control: Pro's and Cons

Many geographic areas are interested in local control. The residents, however, are afraid that the cost of such control will be too high. If local control can be purchased at a price deemed reasonable by the residents, I believe that most folks would opt for it. For example, residents in unincorporated areas pay a certain tax millage to the county that covers some level of additional, urban-type services. Most of these areas may pine for local control but fear the additional costs. If incorporation could occur with the residents being guaranteed that the new city tax will remain the same as they now are paying the county, then again, local control would triumph.

In other words, those dollars that used to travel to the county from that area's residents would now travel instead to the city. In the past, most people believed that if you wanted urban city services, it would absolutely cost you more. If you wanted local control over land use decisions and over your future, then you had to pay more money for it. It was cheaper to let others decide for you. Government Lite has the potential to change these assumptions.

This article seeks to discuss privatization and a newer concept of government specialization and how these concepts work within the Government Lite philosophy. The privatization option for government has been around for awhile and is trendy. Just the word "privatization" is used to conjure up images of private sector efficiency.

To Privatize or Not to Privatize?

Well, sometimes it works, but often-times the scenario goes like this. A government bids out a particular function to the private sector at a much-ballyhooed cost savings. Public employees are laid off, and the private firm starts doing the work under a contract for two or three years.

Before the contract expires, the gov-

ernment is notified that the costs for the future have escalated greatly. The government is faced with three options: (1) paying a lot more for the function; (2) bidding again (usually with weak data from the current private operator); or (3) bringing the function back into the government. Many bad results are possible, and the initial glow from those ballyhooed cost savings may wear thin.

Specialization: An Option

Another possibility is governmental specialization. This concept recognizes that certain governments can provide certain services in a more cost-effective and competent manner than other governments. This is particularly noticeable with highly specialized functions.

For instance, a county government with a large planning and zoning staff has many professionals on staff with particular educational specialties. There may be planners with experience in historic preservation, archaeology, and various environmental specialties. Most small cities could not afford to employ this type of expertise on staff. If, on the other hand, you have to go out and hire these specialties in the consulting world, the cost is dear. If small cities and towns could contract with the county for these services, it would afford the county the chance to subsidize the costs of these specialists while providing the cities in the county with more cost-effective expertise. It allows a small city to get the benefit of competent, specialized advice while keeping a tight hold on its pocket-book.

Governmental specialization offers other positive byproducts besides cost efficiencies and greater levels of professional expertise. As governments enter into contractual relationships with each other, better intergovernmental working relationships follow. These relationships are based on a variety of roles, such as employer/employee, service provider/consumer, owner/contractor, and so forth. These roles force a change in how the governments interact.

If one government (let's call it the "owner") is paying for services from another government, then the owner may require accountability based on specified performance standards. A county and a small city are never on equal footing, but a performance-based contract between the two will definitely change current and future interactions.

I believe these changes are positive. Working relationships improve because, depending on the services, a manager may be handling one contract as a consumer and another as a provider while still working with the same people. These relationships also cause managers to discuss substantive issues and problems and to consider new ideas and avenues of delivery. Without any fanfare, one entity may develop a great idea that is passed to the next entity on a staff level. The organizations benefit, and the ultimate consumer, the taxpayer, receives a better product for less money.

As more places around the world form councils of governments, the concept of governmental specialization can be more fully developed. Governments could propose areas of specialty that are circulated to other governments in particular geographic locations. The proliferation of government specialty areas would allow larger organizations to consider the Government Lite philosophy. This process recognizes the value of highly educated and trained government employees. It also recognizes areas in which certain services should be provided by the public sector, assuming that the service delivery system works in a cost-effective and efficient manner.

Governmental specialization is another essential tool in fully developing a Government Lite philosophy of governance. The pursuit of possible functions that can be cross-contracted among various governments is absolutely necessary to maintain this philosophy in good working order. **DM**

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