

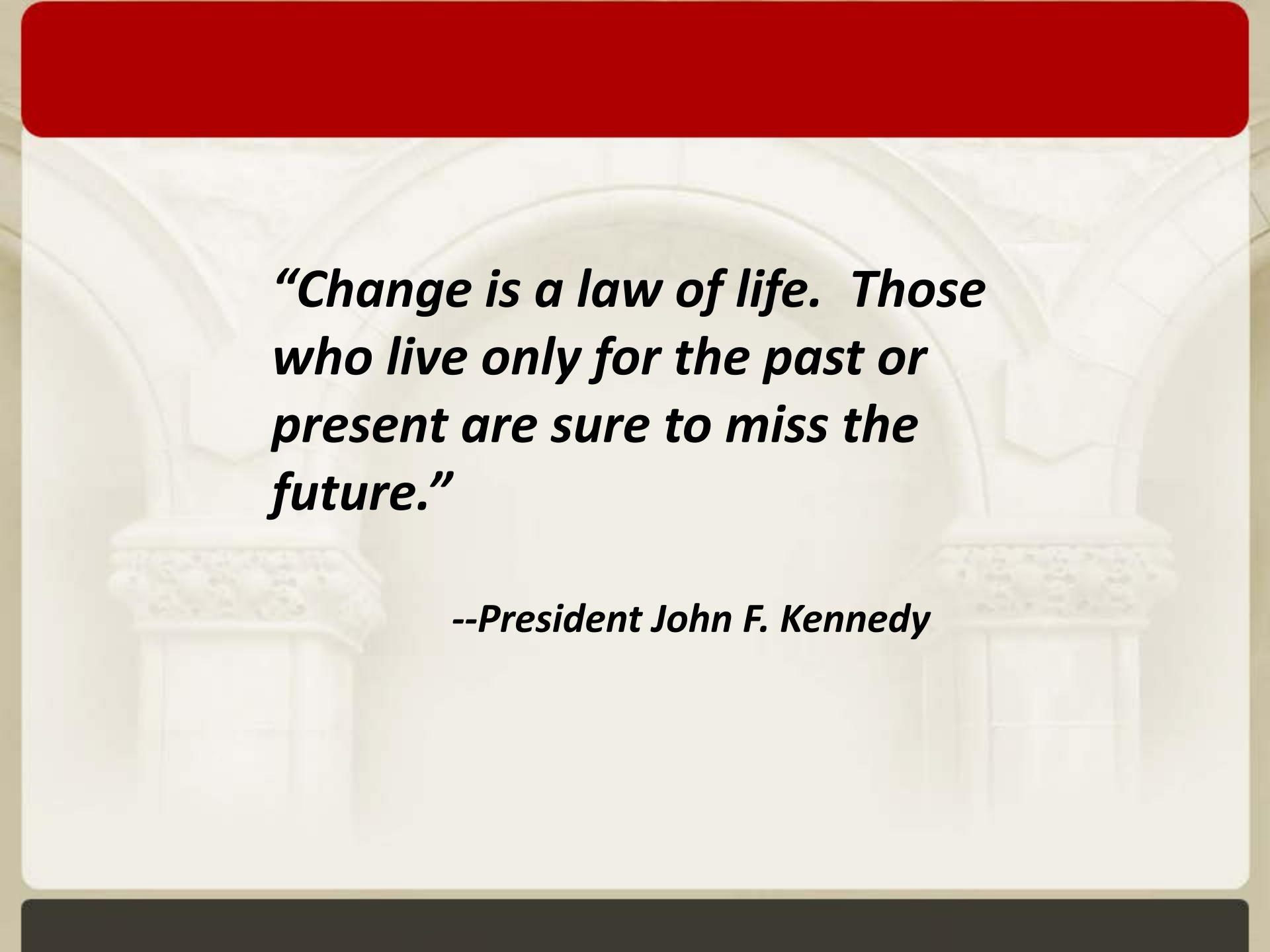
Is Your Organization Ready for Alternative Service Delivery ?

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“Change is a law of life. Those who live only for the past or present are sure to miss the future.”

--President John F. Kennedy

The Challenge

FIRE!

AIM!!!!



The ASD Project

- **Demands for Guidance**
 - Confusing terms for alternative service delivery options
 - What do we know from other attempts?
 - Where do we start our organizational process?

The ASD Project

- **Using a National-Local Focus for Answers**
 - NIU MPA Local Government Expertise
 - NIU CGS Field Experience
 - HR Green Sponsorship
- Research on national experiences

The ASD Project

- Focus group sessions of northern Illinois communities
 - Success stories
 - Less than success stories
- Recapitulation
 - Practitioner review of major findings
- Project: Field Guide to ASD Options

It's about Reinventing, Continuously
Improving and Optimizing

Taking
Risks

It's about

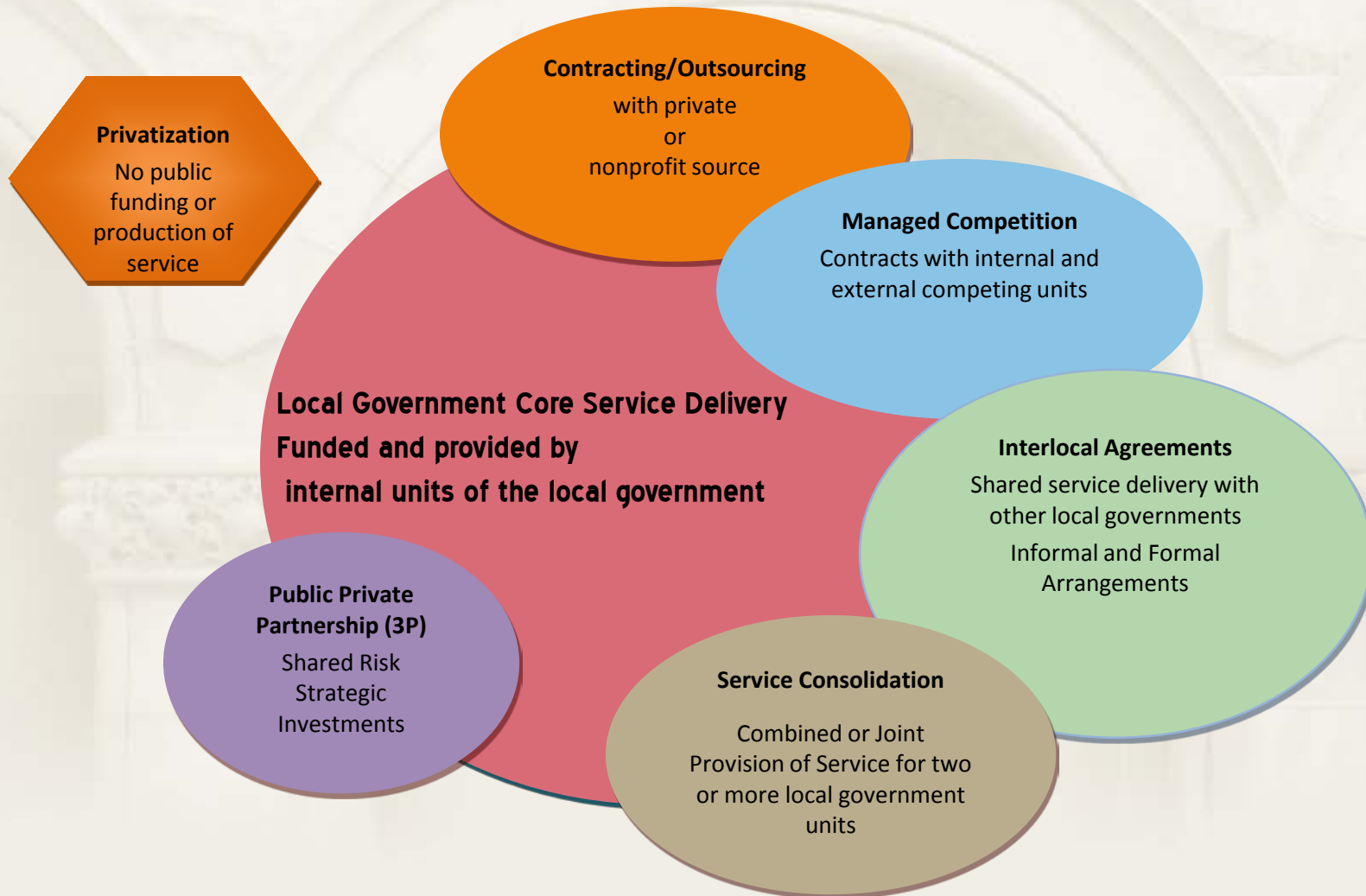
Contracting
Capacity

Organizational Culture

Rewarding
Risks

Managing
Risks

Alternative Service Delivery Options



Outsourcing-Contracting Out

Outsourcing - taking internal organizational functions and **paying an outside firm or NGO to handle them.**

- done to save money, improve quality, obtain specialized services/expertise, free organizational resources
- Some services more common, but nearly every service area has been outsourced

Managed Competition

Managed competition- a public-sector agency competes with private-sector firms to provide public-sector functions or services under a controlled or managed process.

- This process clearly defines the steps to be taken by government employees in preparing their own approach to performing an activity.
- The agency's proposal for providing the service, which includes a bid proposal for cost-estimation purposes, is useful in competing directly with private-sector bids.

Interlocal Agreements

Interlocal agreement (ILA) - a **contract between governmental entities** that enables them to work with each other in the interest of **cooperatively sharing resources** for their mutual benefit.

- many forms, ranging from an informal handshake agreement to elaborate contracts structured according to statutory requirements and filed with a state agency and local county or city recorder.
- exist between cities, counties, a city and a county, cities and school districts, school districts- many other combinations.
- often increase the effectiveness and efficiency of services.

Service Consolidation

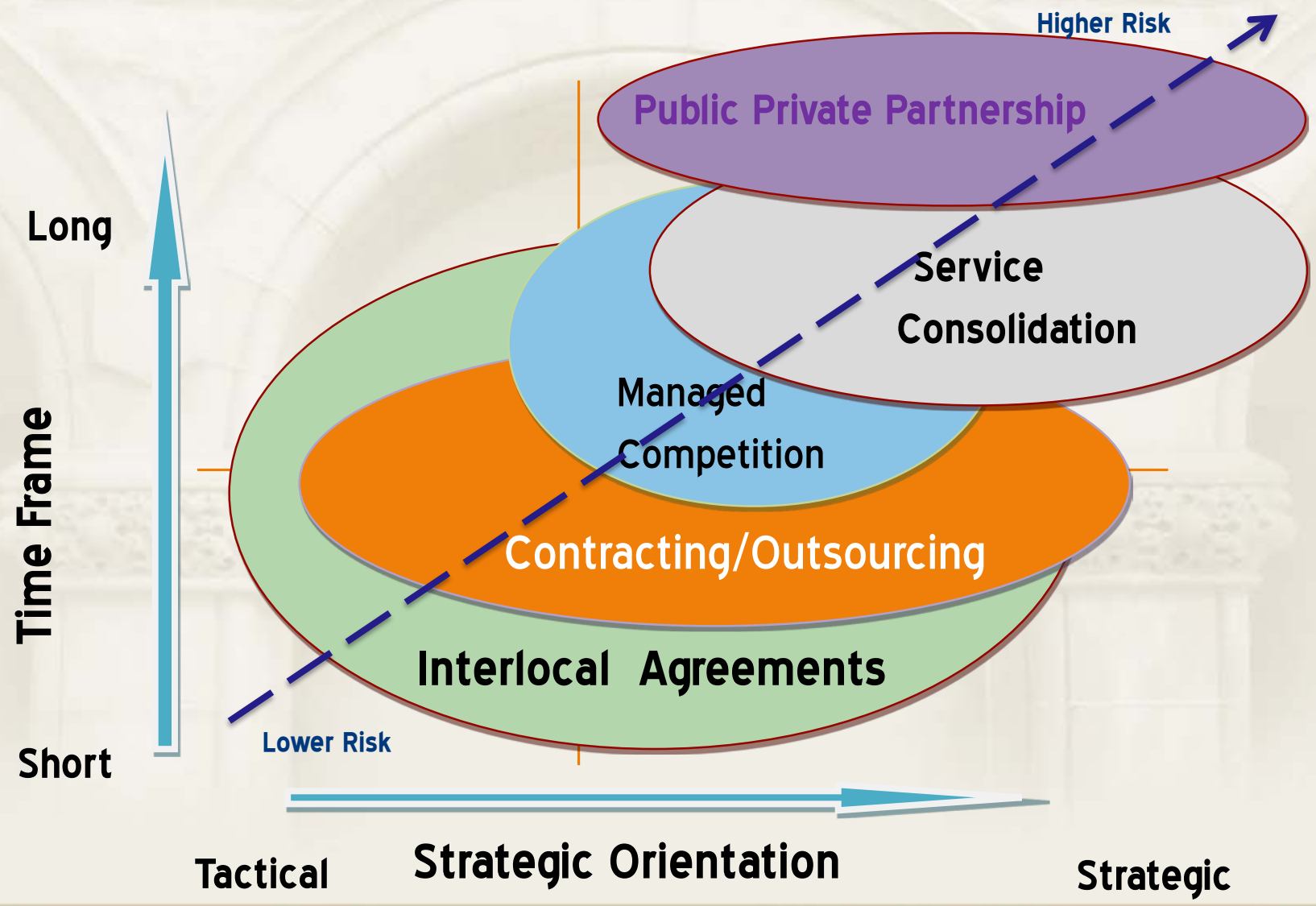
- **Service consolidation-** agreements between governments to merge existing departments into one unit which is overseen by representatives from both governments.
 - Excludes arrangements in which one government contracts with another in order to receive a specific service (e.g., regional dispatch).
 - One department administrator who oversees the department and answers to both communities equally.
 - Often an oversight board comprised of representatives from both governments is established to oversee the consolidated department.

Public-Private Partnerships (3P)

A 3P venture is a *long-term, strategic contractual agreement* between a local government and a private sector entity

- where the *skills and assets of each sector are shared* in delivering a service or facility for the use of the general public,
- *and*
- where *each party shares in the risks and rewards* in the delivery of the service and/or facility.

Strategic Orientation of ASD Options



Is Your Organization Ready?

Why are you considering this?

Political

Economic

Internal/External motivations

What outcome are you seeking?

Reduced Cost?

Efficiency?

Political Accountability?

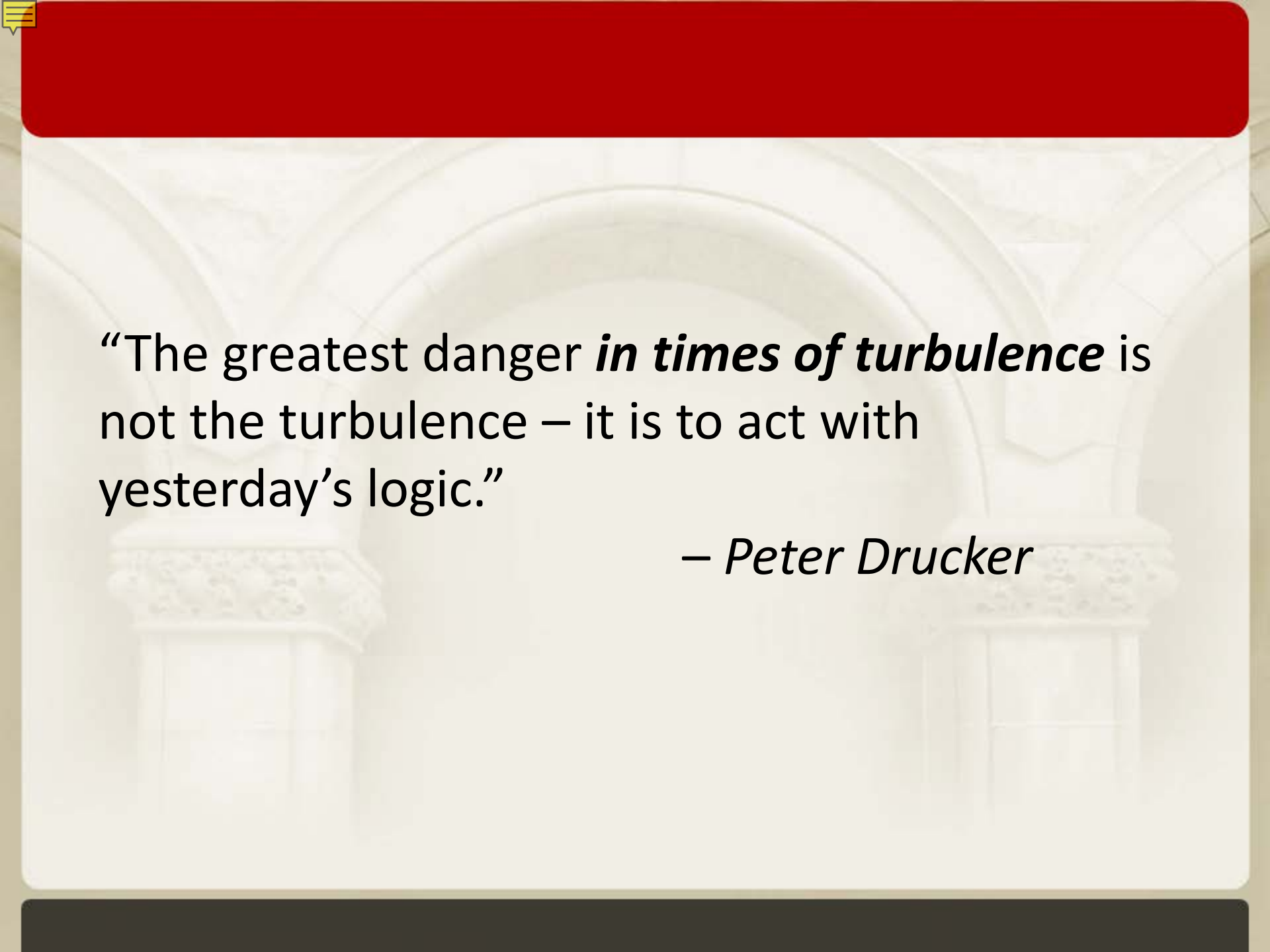

Public Approval?

ASD Project

How will you achieve
(and measure) results?

Political & Cultural Readiness

- How ready are you?
- How do you know?
- Matching outcomes w/ approaches
- Timeframe
- Strategic vs. Tactical
 - Outcomes expected
 - Board/Council
 - Staff



“The greatest danger *in times of turbulence* is not the turbulence – it is to act with yesterday’s logic.”

– *Peter Drucker*

Organizational Culture & Risk

Is risk part of your organization's culture?

Small groups discussion topics:

- Risk subcultures
- Rewarding risk
- Contract capacity
- Union relations
- Interlocal agreements trust and density

