Using 311 Data
to Measure Performance
and Manage City Finances

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311 and CRM

Providing citizens with a single number for their non-emergency questions and concerns is valuable in itself, but pairing 311 with constituent relationship management (CRM) gives it the power to transform government. CRM is a combination of people, processes, and technology used to deliver superior service to constituents. Superior service means shorter wait times for contacting government representatives, less frustration in finding the required services, outcomes that are delivered when promised, and, ultimately, greater constituent satisfaction. Technology is mentioned last in the definition of CRM, which is instructive — while modern technology is a crucial enabler, what really makes CRM possible is government employees whose behavior is attuned to customer service, and business processes that focus on outcomes that are of value to constituents.

Local governments are finding that 311 can improve performance, increase efficiency, and enhance both customer and citizen satisfaction. But at the same time, these benefits also have to bring budgetary improvements. The City of Chattanooga's 311 system and performance measurement program offer an example of how such an initiative can allow officials to use data to more effectively manage resources, improving operations and saving money throughout the organization.

Since the Federal Communications Commission formally designated 311 as the number for government information and non-emergency services in 1997 — a year after Baltimore implemented the first such system — more than 70 U.S. cities and counties have put 311 systems in place. A 2007 survey found that just 15 percent of cities had any form of centralized customer service center, but 34 percent were seriously considering it.[1]

The clearest case for adoption of 311 has been political — 311 is a hit with voters because it improves residents' access to the local government they pay for. Rather than having to play blue pages roulette — in some cases, going through hundreds of local government phone listings to find the right one — residents are able to access local government through two numbers — 911 for emergencies and 311 for non-emergencies. Instead of leaving citizens to fend for themselves in determining which department or agency can address their problems or answer their questions, 311 shifts that burden back where it belongs — with the local government.

But for cities and counties that are considering adopting 311, good politics and improved citizen access to government may not be sufficiently compelling reasons to justify the early investments. More than one-third of the cities and counties that have no form of centralized customer service cite cost as the reason why.[2] To overcome this situation, a 311 program must be linked to performance measurement and budgeting.
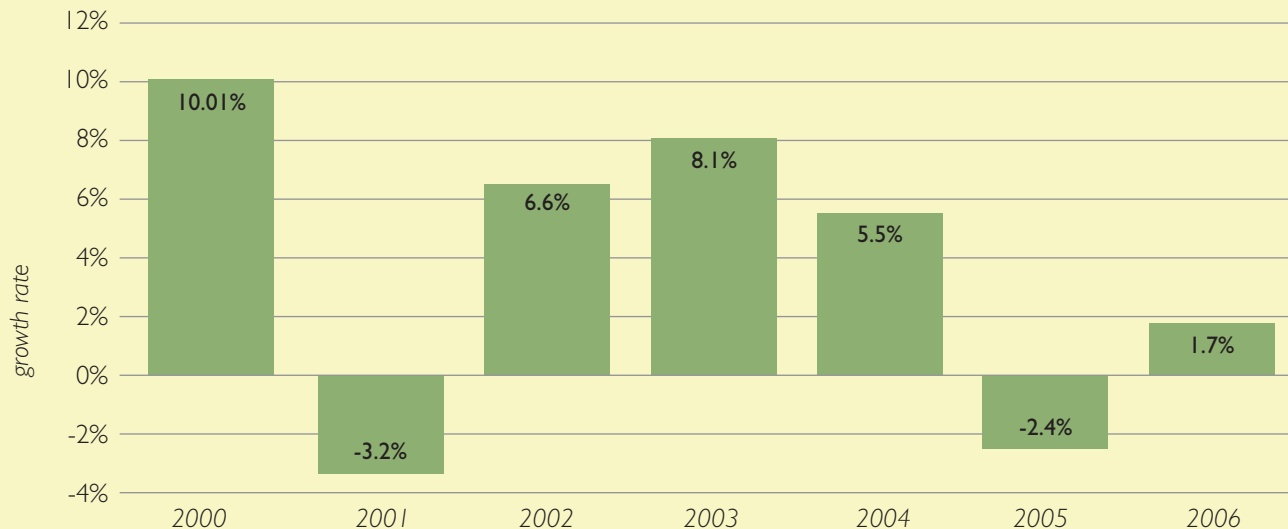
311, PERFORMANCE MEASUREMENT, AND THE BUDGET

Some efficiencies related to 311 systems are immediately evident. For municipalities that are large enough to already have multiple call centers — or even where questions or requests that would normally be directed to a 311 center are distributed among department employees — consolidation can lead to reductions in staff. However, those savings are not usually sufficient to justify the upfront investments in building, technology, software, consulting, and telephony.

Most local governments are looking for more. In addition to operational efficiency and effectiveness, municipalities are seeking real budgetary savings, which requires using 311 data to help drive local government performance and, in turn, budgeting for performance, outcomes, or results. And that can be harder than it sounds.

Local governments sometimes find it difficult to make a return-on-investment case for 311 based on the changes they have made using 311 data for performance measurement and management. That is because jurisdictions lack information about costs and service delivery before the service was implemented. In some cases, a 311 system provides a department with its first systematic way of tracking the number of service requests and rate of response.

Finally, 311 service-request data may only encompass a small number of the day-to-day activities of a local government. In those cities that have implemented 311, service requests tend to be driven by a relatively small number of city activities — such as street maintenance, sanitation service, and code enforcement. Other functions of local government are far less driven by service requests from citizens. And, of course, performance measurement of public safety agencies would rely more on 911 systems.

Exhibit 1: Growth of General Fund Spending

REDUCED SPENDING AND SMARTER GOVERNMENT

Chattanooga, Tennessee, offers a case study for how a 311 implementation can drive a performance measurement program and achieve budgetary savings. In 2003, Chattanooga became one of the first midsized cities to implement a 311 system. Six months later, it initiated a government-wide performance measurement initiative called chattanoogaRESULTS. The new system gave the city its first means of assembling data for certain services — Chattanooga did not have a way to track the actual number of requests residents made to departments for basic services such as missed trash pickups or housing code inspections. And city officials could only guess at total call volume for non-emergency, non-public safety services.

In 2002, the city's new mayor, seeking greater ability to measure and manage performance, created the Office of Performance Review to oversee the 311 implementation. The mayor had made it clear from the beginning that the system would be used to measure performance. The city planned to use a CitiStat model, using citizen-driven indicators such as 311 and 911 calls to monitor government performance.

The city finance department was restructured and budget staff became management and budget analysts. Budget staff and departments heads worked together to develop standardized indicators for city departments and select funded agencies such as the Chamber of Commerce. When that was done, the chattanoogaRESULTS program was launched.

ChattanoogaRESULTS created a constant, data-driven focus on performance. The program allowed officials to manage city government more effectively, on a daily basis. Department heads met with the mayor, the chief finance officer — who oversaw the city budget, the 311 system, and the RESULTS process — and other senior staff on a monthly basis. The meetings were both a means of holding departments accountable and a forum for problem solving. Overall, officials were now able to identify opportunities for improvements, savings, and where additional investment was needed.

While the city did not implement a formal performance-based budgeting process, chattanoogaRESULTS forced efficiency and effectiveness issues onto the senior leadership agenda throughout the year, not just during budget season. Budget development shifted from being an episodic process to an ongoing process of innovation and management. In addition, budget officers learned more about their departments — what they did, not just what they spent.

The result was that, during a time of fiscal stress for local governments nationally, Chattanooga was able to considerably slow its rate of actual spending growth without a corresponding decline in city services. Between fiscal 1999 and 2003 — before 311 and chattanoogaRESULTS — the average annual rate of growth in general fund spending was 5.4 per-

cent. For fiscal 2004 to 2006 — as the city implemented the 311 and chattanoogaRESULTS programs — the annual rate of spending growth declined to 1.6 percent. In fiscal 2005, the city's general fund spending actually declined (see Figure 1).

While it is difficult to reduce spending without a negative impact on service delivery, chattanoogaRESULTS led to a variety of strategies to reduce cost without compromising on quality. Examples include:

■ The city reduced the number of sworn police officers but increased the number of officers on patrol, as well as 911 operators. In 2004, Chattanooga experienced a 50 percent reduction in homicides.

■ While sworn positions were frozen in the Fire Department, increased funding went toward hiring five additional inspectors who were charged with prevention. In 2005, Chattanooga received a Class 2 ISO rating, putting it in the top one percent of fire departments nationally.

■ The city was able to maintain voluntary curbside recycling, managing costs by using 311 for sign-up and routing.

Perhaps the clearest example of the city using 311 data to manage its resources more effectively was in the area of controlling employment vacancies. Hiring freezes or slow-downs frequently devolve into the equivalent of an argument between budget staff, disputing the need for a position, and department officials, warning that not filling the position will result in service reductions. In many cases, these discussions occur in a data vacuum. Chattanooga avoided an across-the-board hiring freeze, implementing a process through which any decision to fill a vacancy — including a budgeted position — was subject to review by a panel consisting of the chief finance officer, the mayor's chief of staff, and the head of personnel. In departments where service requests were driven by the public, 311 data informed discussions about vacancies. If service-request and response data indicated that current staffing was already meeting citizen demand, department officials tended not to try making the case for filling a vacancy.

Overall, Chattanooga's 311 data suggest that even as spending growth was declining and more citizens were requesting city services through 311, departmental response times were improving. Independent surveys of citizens who had called 311 to request a city service indicated an increase in satisfaction with services during the same time period.[3] In addition, the city was able to use annual surpluses to fund part of its capital program, reducing the need for additional debt.

SOME CAUTIONARY NOTES

As more cities consider implementing 311, and early implementers seek to increase the use of 311 data for improving performance, governments need to understand the potential problems. Not every 311 program is well-executed, and not every performance measurement initiative works as intended. Some 311 programs leave the public frustrated and saddle the jurisdiction with high costs and few benefits. (See the "debate" between Robert Behn and Steven Goldsmith on the potential for problems with PerformanceStat.)[4]

One major implementation concern is the challenge involved in getting internal support for the project. While the political advantages of implementing a 311 system are appealing to elected officials, increased accountability may be less palatable to department heads or line workers. Exacerbating these concerns in the case of 311 performance measurement is the fact that the data is collected by an entity that is outside of the control of the department charged with performance.

Chattanooga's implementation met with departmental resistance and taxing internal analytic resources.

Another concern is managing expectations. Local government cannot ensure citizen satisfaction based on 311 data. Responding to service requests and achieving customer satisfaction is only part of the picture. For example, in New York City, the most common complaint to 311 is about noise. But in

reality, few New Yorkers would be likely to rate noise as the most important issue facing local government. Most 311 systems do not handle service requests for lower taxes or improvements to local schools.

Government officials must understand the extent to which 311 data can and should be used in managing workload and response time. There is an important historical lesson to be learned from the history of 911 implementation. In 1987, two decades after the initial implementation of 911 in the United States, just one-third of law enforcement agencies had a 911 system.[5] In the next six years, though, two-thirds of law enforcement agencies had a 911 system. And by the late 1980s, police chiefs in cities that had adopted 911 early on complained publicly of the "tyranny of 911": Departments were driven to respond to 911 calls almost exclusively, rather than working to prevent or reduce crime. For example, in 1968, New York was one of the nation's first cities to implement 911, but it did not implement the CompStat process for using 911 data to reduce crime until 1994. Early implementers of 311 and those who use 311 data as a part of performance measurement initiatives need to focus on how the data can ultimately be used to shape policy as well as drive performance.

CONCLUSION

The development of 311 systems in the United States is at a crossroads. While it has already been demonstrated that 311 is valuable to citizens seeking easier access to government, the key to widespread implementation will be the ability to demonstrate that the process improves operations and saves money throughout the organization. Cities that have used 311 to provide an impetus for performance measurement efforts have reported transformative effects on operations and budget. However, 311 is not a panacea for performance measurement. Local government officials need to work closely with citizens to avoid confusing customer satisfaction with citizen satisfaction and future complaints about the "tyranny of 311." ▌

Notes

1. Evelina Moulder, *Call 311: Connecting Citizens to Local Government Data Report* (Washington, D.C.: International City/County Management Association, 2007).

2. Survey data from the Call 311 report are available at http://www.icma.org/upload/bc/attach/{A367D7A7-2C2B-4466-8A80-B031AECE7009}311surveyweb.pdf.

3. Medley, Barbara, "City of Chattanooga 311 System Customer Satisfaction Survey" (research paper, Center for Applied Social Research, the University of Tennessee at Chattanooga, 2004), and "City of Chattanooga 311 System Customer Satisfaction Survey," (research paper, Center for Applied Social Research, the University of Tennessee at Chattanooga, 2005).

4. See Robert D. Behn, "The Five Big Errors of PerformanceStat," December 12, 2007, Managing Insights column, at http://www.governing.com/mgmt_insight.aspx?id=4648; and Stephen Goldsmith, "Chasing the Wrong Goals Faster," December 19, 2007, Managing Insights column, at http://www.governing.com/mgmt_insight.aspx?id=4680.

5. Seaskate Inc., *The Evolution and Development of Police Technology*, technical report prepared for the National Committee on Criminal Justice Technology (Washington, D.C.: U.S. Department of Justice, National Institute of Justice, July 1998).

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