



growing increasingly tight as the impact of ARPA money evaporates, and the need for greater efficiencies is pressing. Observers predict that the use of shared services will be one way to maintain, or even improve, offerings without the need to hire additional personnel.

“Our collective communities don’t stop at jurisdictional boundaries,” explained Tanya Ange, the new president of the International City/County Management Association (ICMA). “That includes housing, homelessness, and behavioral health as just a few examples. Looking at services as extending beyond these boundaries will be incredibly important in the future.”

Governments—typically those in the same geographic area—have a lot to gain by sharing services. One of the most important is that when two organizations join forces, they can often cut down on the administrative load that each would have carried independently. “That frees you up to work on mission delivery,” said John Marshall, founder and CEO of the Shared Services Leadership Coalition (SSLC), a nonprofit, non-partisan organization that helps government use shared services to improve government efficiency. “That’s a win-win-win for government, its employees, and the residents.”

For example, small manufacturers in Michigan are benefiting from the state’s expanding efforts to bring counties together to create a shared network of 3D printers, which gives the companies less expensive access to 3D printing technology and training, “which is allowing them to dramatically cut production time and costs,” said Oakland County Executive Dave Coulter in an article in Michigan Business Network.

One of the most successful examples of the benefits of shared services can be found in the Mid-America Regional Council (MARC), which was formally organized back in 1972 as an intergovernmental agreement among the major cities and nine counties in both Kansas and Missouri.

Its most enduring accomplishment has been to bring together the 911 response systems picked up by 43

PERSPECTIVE

Shared Services

The Way of the Future

BY KATHERINE BARRETT AND RICHARD GREENE

With pressure on local governments to keep taxpayers happy without raising revenues, one proven technique is to work together. “Years ago—although it could have happened yesterday—I was driving home in Wisconsin, and I came to a cross section on the border of two communities, where a car had t-boned an SUV,” Don Kettl, professor emeritus at the University of Maryland, recalled. “People seemed to be OK, but there was someone hanging upside down, held by a seatbelt in the SUV, waiting for someone to arrive.

“One option would have been for both jurisdictions to send help, which would have been wasteful. The other was for each jurisdiction to wait for the other one, which would have meant no help would ever arrive. And the final option was for shared services, which made the most sense. When you’re hanging upside down in your SUV, you don’t really care about the decal on the side of the emergency vehicle that arrives.”

Kettl’s anecdote underscores the logic behind the quickly moving progress on the part of towns, cities, counties, and states to pitch in and join forces to find an optimal way to deliver services effectively and efficiently. Budgets are



Governments—typically those in the same geographic area—have a lot to gain by sharing services. One of the most important is that when two organizations join forces, they can often cut down on the administrative load that each would have carried independently.

different police and fire departments across the region. “We create the connectivity among all of them,” explained David Warm, MARC executive director. “The representatives of those police and fire departments govern and set the budget and manage the protocols, but we support their ability to work together.”

More recently, MARC has been creating a system that allows 23 participating cities to connect and time their traffic signals on major arterials across multiple city boundaries. It’s called Operation Green Light, and it helps more than 750 intersections across the region maximize traffic efficiency. Its wireless communications system also allows for centralized responses to traffic accidents by changing the timing of the lights without actually sending crews.

“The owners and operators—the individual local governments of those traffic signals, of those corridors—see the self interest in connecting up with their neighbors,” explained Warm, “and they understand that what they are there to do is to help their citizens move efficiently through their towns, to help their businesses operate, to avoid traffic

jams and all the other externalities that come from poor traffic management. They want to coordinate with their neighbors so that everybody benefits, and everybody ends up better off.”

One of the most extreme examples of a successful shared services effort that has been established by a centralized authority has been in the Portland Metro region, which includes three counties, Washington, Multnomah, and Clackamas.

A regional government called Metro, which has the power to levy income taxes, was established there in 1978 by state legislation and Portland-area voters. It has its own governing body, which is made up of elected officials, to establish a coordinated effort on land use. With voter approval of a regional housing services measure in 2020, Metro has used its taxing authority to remarkable effect in combating homelessness in the region.

According to the ICMA’s Ange, who is also the administrator of Washington County, Oregon: “The approach Metro takes in homelessness housing is that we are in a regional community. Staff

from the three counties meet and share their best practices, so even though we have different local implementation plans or approaches, we’re committed to reducing—or, frankly, eliminating—homelessness within our region.”

By joining forces to construct shelters that can be of use to people in all three counties, Washington County has been able to “go from multiple homelessness encampments in 2020 to zero today,” Ange added.

One key to the successful implementation of shared services is that “you need to have a czar, someone who reports to the governor or the mayor, who can encourage compliance and, if necessary, enforce it,” Marshall said. “Sometimes in government there’s a sense that you can build it and assume that they will come, but that’s often not the case because individuals like to keep their own way of doing things.”

For a cooperative system to succeed, no single entity can have the sense that it is subordinating its own interests to that of a greater good for its neighbors. Altruism may be a virtue in polite society, but it’s not a way for a politician to get re-elected come election time.

“Shared services always run into difficulty when you’re talking about jurisdictional control,” Kettl said. “I think the distinction in policy debates is between thinking about who controls, rather than who benefits. The more you talk about real people with real needs, the more the barriers tend to melt away. The key to having productive conversations about this is talking about what services people need and who is in the best position to help to provide them.” ■



Katherine Barrett and Richard Greene are principals of Barrett and Greene, Inc.