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FINANCE

METRO, OREGON

Creating a Collaborative Culture of Curious People Who Are Committed to Public Service

BY KATIE LUDWIG

Metro, a regional government agency serving northwestern Oregon, has developed a collaborative structure and culture that helped the organization navigate the COVID-19 pandemic and its effects, while continuing to focus on delivering better outcomes through compromise and problem-solving.

Metro serves about 1.7 million people in Clackamas, Multnomah, and Washington counties. Brian Kennedy, Metro's chief financial officer, explained that the organization was created in the 1980s through the merger of a council of governments focused on land use and transportation planning

and a solid waste service district. Since this merger, the organization has grown to accommodate other operations including the Oregon Convention Center, parks and nature systems across the region, the Oregon Zoo, the Portland Expo Center, and several performing arts centers in the City of Portland.

"We exist to do a lot of things that don't fit easily into other governments' niches," Kennedy said, adding that Metro recently issued a \$653 million bond to fund affordable housing construction in the region, and in 2020, voters passed a personal and business income tax to raise about \$250 million a year to fight chronic homelessness.

Metro has a centralized finance operation, providing budget, accounting, financial reporting, procurement, and risk management services to the entire agency. "No organization has Finance just because they think it's a super-awesome thing to have or they love producing financial statements," explained Kennedy. "We exist to make the rest of the organization work. Part of my vision for our team is that we're at the table for every big decision that gets made, and I don't want to force that. I want to be invited to those tables. I think we have the best data in the organization. We have visibility into the entire organization. We have some

of the best tools for helping to evaluate decisions. The way we get invited to those tables is by being good partners.”

“Early in my career, I worked for some finance departments that very much enjoyed telling everyone ‘no’ and being the mean parent in the relationship. What I saw is that we didn’t get involved in decisions; we didn’t get invited into conversations. We were always finding out about things after the fact,” Kennedy said. “I really want us to have a different path, so we have finance managers who are embedded in each of our departments. Part of what we want them to do is earn the trust of the directors and the departments they’re supporting, so when somebody says, ‘I have a big problem to solve,’ the first person they think about inviting to that conversation is their finance manager. I want them to be one of their most trusted advisors. That’s how we try to enshrine good financial decision-making throughout the organization.”

Craig Stroud is the executive director of the Oregon Convention Center. “We strive for excellence in daily operations and in making decisions that are strategic for the future. We need the right disciplines at the table to make and enact decisions, and that comes through collaboration,” he said. “I don’t have a team that’s expert in finance, but Metro has an entire team of finance experts. Bringing the right people in, all contributing to mission-focused service delivery and excellence—that to me is collaboration.”

Rachael Lembo is a finance manager at Metro. She currently supports the housing and planning department, but she previously served the venues, including the convention center, the expo center, and the performing arts centers. “I think our structure excels at collaboration because our finance managers are encouraged to understand the operations, and they feel passionate about the mission of their particular department,” Lembo said. “I will look at something through a financial lens, while somebody else is going to bring a sales perspective, or a building maintenance perspective—but we all have a shared understanding of what the department is trying to do. Knowing that we have the best interests of the

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BRIAN KENNEDY,
CHIEF FINANCIAL OFFICER

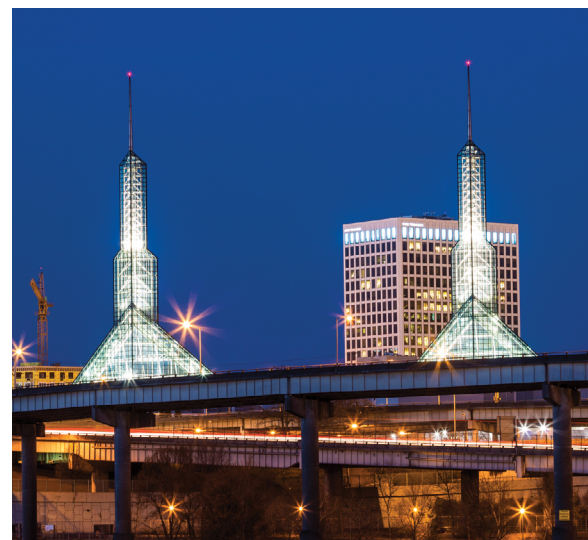
department front and center keeps us respectful of each other as we share our unique perspectives. Even though I didn’t report to Craig, like the rest of the convention center team, our shared interest helped us work well together.”

Navigating the pandemic together

“Our business basically evaporated overnight—two weeks and we were shut down—and we had no foresight for when we would be able to reopen and get back into our core business,” Stroud said. “We shed about 75 percent of our full-time staff and all our variable-hour workers. We had about 115 full-time folks before the pandemic, and we cut to around 40.”

Metro’s current chief operating officer, Marissa Madrigal, started working for the agency in early March 2020, just as COVID-19 was beginning to spread rapidly across the United States. The organization was exploring operational scenarios and developing contingency plans for their venues. Because Madrigal couldn’t visit all the venues and meet with the directors in person, because of the speed of service impacts from the pandemic, she relied heavily on the finance managers to provide her with weekly updates on each venue’s current financial position and outlook. “We were able to collaborate in a unique way, where rather than her having to speak to each venue, she got the information consolidated from the finance managers,” Lembo explained.

This information made it clear that the organization’s immediate financial outlook was bleak, and Metro’s executive leadership was going to have to make significant short-term cutbacks. On April 1, 2020, Metro laid off 700

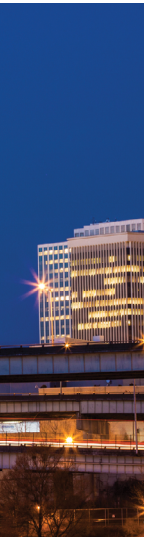


employees, approximately 40 percent of its workforce. Most of these staff worked in the venues.

“The layoff process was unlike anything I’ve ever done before. I think Human Resources and Finance were brought into that process because, as emotional as it was for me, it was even more devastating for the managers in the venues,” Lembo said. “The managers knew we needed to move forward with layoffs, but I think it was just too hard for them to do. They really leaned on Finance and Human Resources to assist in that process, and we supported them as much as we could through that really awful undertaking.”

“There wasn’t enough time to provide the emotional support to the organization and the technical execution,” Stroud said. “I think there’s little instances of this happening every day, but this was an exceptional example of how Finance and Human Resources stepped in. It really did take a huge burden off my plate, so I could focus on the people and let our partners deal with the process.”

Lembo stressed that Finance and Human Resources were only able to provide this needed support because they had existing relationships with these other parts of the organization. “The support could only happen because there had been collaboration for years before that moment, and there was real trust. Having any old Finance person come in and provide input about whom



you're going to lay off—no. But we were able to do that because of those strong relationships and our understanding of the overall business and operations," she explained.

"There was a real existential crisis in that moment. We didn't know if we'd be able to come back if we shut everything down. That was on the table at some point—do we lay every single person off and just lock the doors, turn off the lights, and try to come back at a later date?" Kennedy said. "We decided not to do that because we knew we wanted to be able to come back, and we knew that there would be opportunities for our venues, especially the convention center, to serve the community, even during the pandemic."

"If there was any silver lining of the pandemic, it was our ability to pivot and support our community," Stroud said. Very early on, the convention center hosted drive-through COVID testing in its parking garages, which provided protection from spring rains and summer heat.

The convention center also partnered with Multnomah County to house homeless people. The county's existing shelter locations weren't sufficient to allow for adequate social distancing. A portion of the convention center halls were converted to a homeless shelter, eventually providing about 55,000 nightly stays.

Stroud said the convention center's biggest accomplishment was operating as a regional mass vaccination center.

The vaccination operation ran for about six months, starting with about 1,000 vaccinations per day in the initial periods and ramping up to close to 10,000 vaccinations per day at the peak. In total, nearly 550,000 vaccinations were administered at the convention center.

"If we had shut everything down, we couldn't have responded quickly enough to accommodate those critical needs," Stroud said.

Making collaboration work

"Having a human connection is incredibly important" for collaboration to be successful, Stroud said. "When Rachael was the finance manager for the convention center, she was an active part of my leadership team. She had a seat at the weekly strategy meeting and participated in the conversations. So, for me, for collaboration to really be successful, you must have a human connection and appreciation for their expertise. It's really about that human connection, and then in times of stress, that relationship can be built upon."

Lembo explained that she once worked for a nonprofit and enjoyed the mission-driven aspect of that work, but as part of a small finance team she didn't have colleagues she could collaborate with on finance-related work. Conversely, she once worked at a CPA firm that was all finance folks—

but she didn't feel a connection to a broader goal or purpose. "For me, the structure at Metro is just perfect, where I have both of those things, and I feel super-supported," she said.

"I've always been attracted to operations and the mission of whichever entity I'm working at. That's a big draw for me, as important as my job duties," Lembo said. "The amazing thing about the structure at Metro is that I get to be part of the operations team of the department I'm supporting, and I'm also part of the finance manager team. The other finance managers help me brainstorm ideas and solutions that improve the finance support I provide to the department. I have two teams that I can collaborate with in different ways."

Challenges to collaboration

The current remote and hybrid workplace makes collaboration a bit more challenging because it can be more difficult to establish a human connection and get to know people as individuals, Stroud mentioned. "A lot of that doesn't happen online; it happens when you're at the water cooler. It happens when you grab lunch together. It happens in those off-moments, and we're not spending time like that together," he said. "I think that's a barrier that we haven't mastered yet, and we need to master it in order to really be prepared to roll



out collaboration and teamwork and get through stresses in the future.”

Difficulty in retaining and recruiting staff has been a bit of a challenge to collaboration in recent years. “A lot of people we’ve had have stuck around for relatively long periods of time, but over the last couple of years—we’ve had two different finance managers supporting the venues since we asked Rachael to move to another department to fill a finance manager vacancy,” Kennedy explained. He thinks one factor driving the higher attrition rate in these positions is that right now, there are plenty of good job opportunities working in local government in the Portland area. Folks who work at Metro as a finance manager get a good combination of budget, accounting, and operations experience, which makes them attractive job candidates. “In terms of building those relationships, we’ve had to start over a couple of times when we get new people in, and just like everyone else, it’s a challenge to recruit and a challenge to find the people who have the right set of skills—great interpersonal skills to build those relationships, but also the solid finance background.”

Advice on becoming more collaborative

The Metro team offered their advice on how Finance and Operations teams can collaborate to achieve better outcomes for their organizations.



Knowing that we have the best interests of the department front and center keeps us respectful of each other as we share our unique perspectives.

RACHAEL LEMBO,
FINANCE MANAGER

Better collaboration might initially be uncomfortable, Lembo acknowledged, but over time it becomes easier. “For the finance person, developing a real interest, providing creative ideas, and saying, ‘Yeah, I can look into that,’ instead of immediately saying no—even if you later have to follow up with a no—is very effective,” she said. “I think one of the barriers to collaboration is that it can feel like you’re giving up a little bit of power. For the operations side, it’s about knowing that if you let that finance person in a little bit, you’re going to get their creativity and you’re going to be able to get to yes more often, which is ultimately where you want to go. Doing it behind their back isn’t going to work.

Metro serves more than 1.7 million people in Clackamas, Multnomah, and Washington counties. The agency’s boundary encompasses Portland, Oregon and 23 other cities.

Both of you have to lean in a little bit from the natural stance, but then that becomes more comfortable and becomes the new natural.”

Stroud agreed and explained that effective collaboration requires “having people who are appreciative and excited about the mission and operations, and they’re learning about it, and they’re trying to figure out how to improve it. That creates the opportunity to move forward and meet in the middle.”

“I come out of the finance world, so I appreciate cash controls,” Stroud said. “I understand why finance requires us use effective controls that others see as bureaucratic. They think, ‘Oh, Finance is just making us do this.’ No, they’re not. They’re requiring controls to protect us should money go missing.”

Kennedy’s advice for developing a more collaborative culture stressed hiring curious people who are committed to public service. “I come with an unusual background. I started as a land use planner and then ended up in Finance and spent some time in Parks running park operations and park capital projects. I love government. I’m a true believer. I think government can do great things, and we should put more trust and confidence in the ability of government to solve problems,” he explained. “Part of what I want from the people on our team is a deep curiosity and interest in what we do as an agency. You run into a lot of Finance people who are just deeply uncurious about the rest of the things that happen in the organization. I think that’s the wrong way to approach it. I want people who are really excited and interested in diving into the work that we do because the work that happens at our venues, the solid waste transfer stations, or at the parks is incredibly fascinating. You can care about both—producing great, accurate financial statements and this amazing work.”

Katie Ludwig is director of resource development in GFOA’s Research and Consulting Center.