

# In Practice

FINANCE | ACCOUNTING | PERSPECTIVES



## FINANCE

### Collaboration and the City of Scottsdale's High Performance and Innovation Team

BY KATIE LUDWIG

**T**he City of Scottsdale's High Performance and Innovation initiative is an organization-wide effort to measure, analyze, improve, and report on the services provided by the city. The team that works on this effort is made up of leaders throughout the organization, and they believe that collaboration has been the key to its success.

Shane Stone is a management associate in the city manager's office and leads the Central High Performance and Innovation Team (H-PIT or Central Team). "My biggest task and the biggest task of the Central Team is simply to empower the four teams, soon to be five teams," he said.

Shane explained that there are currently four H-PIT partner teams: the Data Analytics Team, the Process Improvement Team, the Benchmarking and Quarterly Performance Report (QPR) Team, and the Behavioral Insights Team Scottsdale (BITS). The city is developing a fifth team that will be focused on developing new initiatives and programs that provide innovative solutions to existing problems.

"We have tremendous work happening, and the role of the Central Team is to bring those teams together, to collaborate, to understand what we're all doing and find ways that we can help and support each other," he added.

Above, Scottsdale H-PIT team leaders (from left to right) Cassie Johnson, Jen Jensen, Shane Stone, Cindi Eberhardt, and Adam Samuels.

Approximately 35 people are engaged with the Central Team. All the partner team leads serve on the Central Team, and some serve on a couple of partner teams. Shane said he expects the number of people involved to rise to about 40 after the fifth team is up and running.

Another important role of the Central Team is to promote the work of each of the sub-teams, showcasing their work to the rest of the organization as well as externally to other cities, primarily



Scottsdale City Hall

through their work to achieve silver-level certification through What Works Cities.

“This initiative is so much more than numbers and evidence-based decision-making and performance measures that come out at the end. This is much more about teamwork, collaboration, and innovation, faith, and bravery to do things differently,” said Cindi Eberhardt, team lead for BITS. Like all the team leads, Cindi’s work on H-PIT is in addition to her “day job” as the strategic initiatives program manager for Planning, Economic Development, and Tourism. During the pandemic, she has also been serving as the administrative lead for the recovery efforts as part of the city’s response to the pandemic.

Cindi was first exposed to the city’s performance management efforts back in 2009, when she was volunteering with the city’s Citizen Budget Review Commission. The commission was looking at performance measures and noticed that the city’s goals,

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BEHAVIOURAL INSIGHTS TEAM LEAD

objectives, and performance measures didn’t really match up with what the departments were working on. Brent Stockwell, the assistant city manager, championed the effort to address this mismatch. Brent’s goal was to bring together a team of folks to develop reasonable performance objectives

and goals and then tie them back to the actual work being performed in the city, Cindi explains. He believed that rather than being 100 percent of one person’s job, the effort would be more successful if it was a portion of the job for many people.

**BEHAVIORAL INSIGHTS**

The work of BITS grew out of the city’s partnership with What Works Cities and a private firm called The Behavioural Insights Team, which helps organizations make better use of behavioral science in their decision-making and program design (and was the inspiration for the team’s name).

“What we do is apply behavioral science techniques—easy messaging and nudges—to address a pain point in a program or service that ultimately has a positive impact on the lives of our citizens,” she explained. “That’s the reason we do it. The result is that we want to make sure we’re helping our client departments actually serve the community better by making that connection and relieving that pain point.”

BITS sometimes uses randomized control trials to test approaches to relieving a given pain point, comparing outcomes for a control group that receives the traditional government response to outcomes for another group that receives a treated response. “We’ve had a lot of ah-ha moments, a lot of times when we thought we intuitively knew what the results would be, and results that surprised us. And we’ve learned along the way,” Cindi said.

BITS also works to make sure that the lessons they’ve learned inform the way the city communicates, particularly during the pandemic, when both employees and the public have been inundated with information. She explained that BITS has focused on using behavioral insights to simplify messages both internally and externally.

BITS has learned that creating sub-teams to work on different projects works well. “We’ve learned that it’s

really difficult when you have 14 people in a room that all sit there and talk about a trial. So, as we've evolved, when we identify a project that we want to work on, we'll create sub-teams and then have a leader work on carrying that through to the end, and then present the results to the team as a whole," Cindi said. Her sub-team leaders have told her that they appreciate the opportunity to gain experience leading a project. She believes these opportunities for employees to enhance their leadership and professional skills have played a role in the overall success of the city's H-PIT initiative by encouraging more employees to get involved.

Another key to the city's success is ensuring that all city employees are aware of the H-PIT initiative and understand why the city has invested in the initiative. When an organization is rolling out any new initiative, it will be much more difficult to obtain employee buy-in if they don't understand the reason for it and the potential benefits, Cindi said.

## DATA ANALYTICS

Cassie Johnson is the director of the Strategic Initiatives Division for the Scottsdale Police Department. She oversees planning, research, and accreditation as well as the department's budget section. She is also the team leader for the Data Analytics Team and serves as the Police Department's data coordinator for the city's open data project.

The Data Analytics Team was one of the first H-PIT partner teams that added members who were not members of the larger H-PIT. Cassie explained that the focus of this team is different from that of the city's open data initiative. The coordinators of these initiatives work together, but they are distinct efforts. The Data Analytics Team is focused on helping employees understand all the data the city has available and how to use it in decision-making.

The city's data portal includes roughly 50 data sets. The Data Analytics Team

encourages employees to use the open data portal as a resource, but it also reminds them that they can create data warehouses on the city side that don't have to be public.

Cassie described an effort that the Data Analytics Team organized called "Progressive Data Day." The Data Analytics team invited all the data coordinators for the city to a meeting and asked them to bring a friend who also likes to work with data. The meeting brought together 46 people from different city departments to talk about data. Attendees couldn't sit with the person who had invited them to the meeting or with people that they work with regularly; the goal was to meet new people and develop new connections across departmental silos.

"They just started having this really open, frank conversation about the type of things they use day to day to do their job," Cassie said. Eventually, the conversations shifted to ways in which data sets could be shared and used across departments. She said it was exciting to see the silos begin to break down.

The Data Analytics Team sets annual goals and has been successful in developing action plans to achieve its goals. One initiative the team has implemented to get more departments thinking about data is called "Data for Donuts," where staff submit their data and explain how they have used data in decision-making. Teams are rewarded with donuts and a traveling donut-shaped trophy. Cassie said her hope is that these "fun projects make data a little less scary."

The action plan that the Data Analytics Team had put together right before the COVID-19 pandemic included several externally focused action items intended to bring community members into the data conversation. The pandemic prevented progress on these action items, but the team will include those items in its next action plan.

## BENCHMARKING/QUARTERLY PERFORMANCE REPORT

Adam Samuels is a senior budget analyst in the city's Central Budget Office, and he is the leader of the Benchmarking/Quarterly Performance Report (QPR) Team. This team's efforts are focused both internally and externally, and they do benchmarking on three different levels—internally, regionally, and nationally.

The city produces a quarterly performance report that is available to the public. The report includes at least one performance measure from every division in the city. The measures are ultimately annualized in the city's budget book. Every quarter, Adam's team reaches out to staff from the different divisions to collect the performance measure information. The key, he said, is using measures that tell a story, are easy for the public to understand, and are a good representation of the division or department's day-to-day activities.

The city's quarterly performance report is an online interactive dashboard<sup>1</sup> that displays data as a series of bar charts. Each division has its own section in the report. Users can scroll through and hover their mouse over the different measures to read more about each measure, including an explanation of why the department has met its goal (or not). Adam explained that the quarterly performance report is very useful for teasing out seasonal trends in different performance measures and can be a jumping-off point for deeper conversations about what's driving the trend and how the city might need to adjust its strategy or operations.

Adam is also the city's liaison to the Valley Benchmark Cities collaborative,<sup>2</sup> which includes the 11 largest cities in the Phoenix metropolitan area. Representatives from the member cities meet monthly to discuss ways of improving performance and better serving the community. The collaborative produces an annual online report that includes 24



measures. The data is reported in the aggregate, showing the minimum, maximum, and median for each measure.

“It’s a really useful tool to see how we’re doing, in comparison with other cities in the valley,” Adam said, adding that the city participates in ICMA’s Open Access Benchmarking initiative<sup>3</sup> to compare itself to other cities across the United States.

### PROCESS IMPROVEMENT

Jennifer Jensen is a senior management analyst in the Information Technology Department, and she leads the Process Improvement Team, which is made up of approximately 10 people from different departments. “Basically, we go out and look at processes within the city, which are usually either brought up by senior management or suggested through our SharePoint site, and we want to see what we can do to make those processes more effective and efficient,” she said.

The city has a citizen volunteer, Hank Carmean, who sits on the H-PIT and on the Process Improvement Team. “He’s amazing,” Jen said. “He came from process improvement in his original work life, and he’s really helped us out a ton.” Hank has donated hundreds of hours to work on process improvement, including writing the first draft of almost every document that the

Process Improvement Team has ever produced.

The Process Improvement Team was originally formed to put together a handbook on how to do a process improvement project. They looked at what other organizations across the country were doing, and “then we had to try it out,” she explained. “We did a bunch of process improvement events to see what worked and what didn’t. What we found works best is using facilitators who aren’t in the department that you’re trying to get to do the process improvement—things work better because they’re not buried in the process. They can look at it with a fresh set of eyes.”

After the team developed the handbook, they offered process improvement training for city employees. Over four years, the team trained about 50 employees. Jen said these training sessions “allow people in different departments to do some smaller process improvements in their own department—things that didn’t need those big, formalized process improvement events. They could just take a small process that they were frustrated with, get their group together, and take care of the issue themselves.” She said that both the Police Department and the Fire Department have initiated a lot of these smaller process improvement projects, and they’ve been successful.

In addition to the small department-level process improvement projects, the Process Improvement Team has also completed many bigger projects “that have really changed processes for citizens.” One example she gave was the process for facility reservations. The old process required residents to call a number, leave a voicemail, and wait for a call back. The new process is online, so people can see what facilities are available at certain times and then make the reservation themselves. “That was really groundbreaking at the time,” Jen said.

The Process Improvement Team had to make some changes to its typical practices during the COVID-19 pandemic because the members weren’t meeting in person. “Process improvement is typically butcher paper on the wall with stickies. We used the Miro tool and Microsoft Teams, and did something that was 100 percent virtual,” she said. The project addressed out-processing in the Police Department. “I think they did a wonderful job on it,” she said. “It was truly innovative.”

“Process improvement is just trying to get people in the city together to collaborate to make things better, and once we make things better, then we work with Cindi to make sure that people understand how we’ve made things better and how to make the communications better,” Jen explained. “I’m an accountant at heart. It’s great to come in and make things better, but I don’t always communicate as well as she does, and so she helps out a lot with that.”

### THE VALUE OF COLLABORATION

“I think the biggest value of collaboration is diversity of perspective,” Shane said. “Innovation is coming up with new ways to do things, a lot of times things that you’ve done for a long time, and you get into patterns because you have people from a similar mindset approaching the same problem.”

Similarly, Adam thinks the benefit of collaboration is that it breaks down silos within the organization. “If you

only work with people you see on a daily basis, you don't know if what you're doing is actually working because you're basically looking at yourself in the mirror and agreeing with yourself," he explained. "It really is critical to have those outside thoughts, outside perspectives, because otherwise, you can't innovate."

Adam also noted that "almost every division of the city has a representative on the High Performance and Innovation Team, and part of what that does is help with buy-in from the different departments."

"Collaboration also is important because there's a limitation to what any one person or one team can do—but when you bring people together, you're just going to get more capability," Shane added.

Cassie believes that another benefit of collaboration is the opportunity to learn from peers. "We all have our different strengths, but then we also learn from other people's strengths and take on some of those," she said. "With our regular team leader meetings, we're constantly learning from one another."

Cassie shared that she and Adam have held joint meetings with their two teams (Data Analytics and QPR/Benchmarking) to make sure they are truly promoting high performance. "Your data should be supporting your performance metrics, and when they're failing, you issue a process improvement or behavioral insights process, and then you go back to the data and you monitor it—so it's all a cyclical process, and when we're all working together, we can make sure that we're doing that the right way. It's a long and tedious and complex procedure to get all of those things aligned," she said.

Cassie provided an example of when this process worked well. The city's property and evidence warehouse was relatively new, and it filled up very quickly. If the city was going to have to acquire additional space, it would have an impact on the budget. "We were tracking it in a quarterly performance report, and we had the data on

disposition rates, so we could tell this is going to be an issue," she said. The next step was to commission a process improvement project exploring several options for space. As a result, the Police Department was able to justify additional technology, equipment, and staffing to speed up the process for disposing of items stored in the warehouse that were no longer needed.

## WORKING THROUGH THE PANDEMIC

The team leads admitted that the COVID-19 pandemic presented some challenges to the city's high performance and innovation initiative.

"I will say that the last year has been really hard because there are so many competing priorities with the pandemic and public safety issues, and all of those components. People's time has been taxed in a different way and mental capacity to take on additional things has been strained in stressful situations," Cassie said.

"I do agree that there have been some challenges getting the teams together, but for me, at least from my team's perspective, this has been a really golden opportunity, both on the external and internal benchmarking side, to use the pandemic as a case study, and to compare year over year," said Adam. "That's been an opportunity for us, in addition to a challenge."

"At the end of spring, last year, headed into summer, it made it tough to get this work done, but when we ramped back up to full strength, people were amped up. They were ready to get back to work on this because it's something that people really cherish," Shane said.

Cindi said that she suspended meetings of the Behavioral Insights Team during the pandemic to alleviate time pressures on the team members, who were busy doing the work of messaging for the pandemic and executing programs to assist the residents who were most affected.

Jen said that her team only completed one project last year because the people

they were working with had other things, namely pandemic response, that took precedence. "You can't get a group of people together and say, 'Hey, can you give me 20 hours so we can improve your process?' when they barely have their eyes over the top of the water," she explained.

Instead, her team shifted gears slightly to focus on training to help more staff get a better understanding of process improvement. They brought in trainers for two half-day virtual sessions that about 55 people attended. Most—but not all—of the attendees were members of the Process Improvement Team, so these sessions helped get that information to a broader audience within the organization.

"Coming out of the pandemic, and out of the virtual, we will probably keep some of the team meetings. It does help when you don't have to drive 20 minutes for a 45-minute meeting and then drive back," Jen said.

## HELPING AND LEARNING FROM OTHER GOVERNMENTS

Jen said that one of her team's goals for next year is to develop a process improvement facilitator program that might include a certification, which would be a carrot to get more people more involved. She envisions staff including the certification on their resumes to show leadership that they are committed and want to move forward in the organization. "It's really easy to stay in your silo and not do much," Jen said, "but when you go out and engage with everybody else, that really is a cachet."

The team leads shared some advice for local governments that might be looking to implement a high performance and innovation initiative.

"I think one of the most important things is to be willing to look outside of your organization. Scottsdale started pretty early on in some of the performance management efforts, but there are cities that got involved before we did, and there are cities that have more resources to put into process improvement—so we are constantly

collaborating and reaching out to other cities to find out how we can do this better,” Shane said. “We have also had the opportunity to talk to other cities that are following in our footsteps and starting their performance management efforts, which is also valuable because it makes us re-engage with our own history and consider it through another lens.”

### KEYS TO SUCCESS

“It’s important to be iterative,” Shane said. “The high performance and innovation team looks wildly different than it did in 2009, and it looks wildly different than it did when I joined the city a year and a half ago. You have to be willing to constantly improve what you’re doing to be constantly improving what the whole organization is doing.”

Cindi believes one of the keys to the city’s success has been finding people within the organization that have exhibited a skill, strength, or expertise and then empowering them to take H-PIT to the next level.

“I think that empowering someone and asking them to go out and find members to build their teams is a tremendous way to not only continually develop that person, but also serve the mission of across-the-board collaboration, meeting the objectives of the organization. It gives people the feeling that they are being trusted and have accountability,” Cindi said.

Adam offered two pieces of advice to local governments that might want to implement an organization-wide performance and innovation initiative. “First, find the champion. If you can find somebody in upper-level management who can really stick out their neck for you, especially in the early stages of your operation, that’s very important. If you don’t have that buy-in, the project will die on the vine.”

Adam’s second piece of advice is to start small. “We started really small and built up from there. Don’t think you can do everything immediately because you will burn yourself out quickly and not be able to accomplish anything,” he said.

“Take the opportunities to learn from what you did and go forward from there.”

On a related note, Cassie emphasized the importance of having regular conversations—at least once a year—to review accomplishments and objectives, asking questions like “What did we do in the last year?” and “What do we want to do next year?” Once you have an idea of what you want to accomplish, then the team should talk about realistic expectations and timeframes. “The Data Analytics Team really struggled at the very beginning. Part of that was that we had two different ideas about what our team was supposed to be,” she explained. Clarifying the team’s scope was a critical first step. “You need the champion who’s going to give you a clear direction and set those clear expectations for the team, including the timeframe for getting them done.”

Cassie emphasized the importance of setting aside adequate time for planning meetings. She recalled the first time her team went through its action planning exercise. She had scheduled the meeting for three hours instead of the usual one hour. “You could see the dread on some of the faces when they found out it was going to be a three-hour meeting,” she said. This was the amount of time needed to get through the exercise, and by the time it was over, the team felt good about their plan for moving forward. They identified 17 action items that they wanted to complete in the upcoming year and got them all done.

Cassie also reminds leaders to “celebrate your wins.”

“In our industry, we are really good about moving on to the next thing; you’re busy and you have competing priorities, and we don’t celebrate our accomplishments as we go. But if you let those successes get lost in the mix, you won’t be able to appreciate the growth you’ve achieved,” she said.

Similarly, Jen advises managers to celebrate their people. “Let them know that they’ve done a great job. Let their leadership in their department know that they’ve done a great job. Find opportunities for the greater

organization to see what they’ve learned, how much they’ve grown, and what wonderful people they are,” she said.

Jen also emphasized that it’s important to support people as they struggle through any challenges. “Every day on every project isn’t awesome. There’s a lot of learning that goes on. There aren’t any failures—we’re just learning how to be better the next time,” she explained.

### LEADERSHIP FORUM

The city has a Leadership Forum that regularly brings together leaders from across the organization. Cassie, Adam, and Shane spoke at a recent meeting of the group to give an update on the QPR, data, and H-PIT in general, and Cassie noted that it’s important to use opportunities like this to bring attention to the effort, to give accolades to employees who are doing good work, and to get more people interested in joining the effort.

“Part of why we have all these meetings for the general city employees is because we want to have as much buy-in from the city as a whole as possible, so we can really do our best work,” added Adam.

“We are a very lean organization, and that’s obvious from the fact that these are our bonus tasks,” Cassie said. “But serving on H-PIT provides huge professional development opportunities. Being able to lead significant process improvements—where you can see physical, tangible financial impacts, or a behavioral insights program that has a huge national impact or running Valley Benchmark Cities—those are big wins for people to be able to put on their resume.”

*Katie Ludwig is a senior manager in GFOA’s Research and Consulting Center.*

<sup>1</sup> [https://scottsdaleaz.app.envivio.com/corporate/performance\\_analytics/published\\_static/eX60nf](https://scottsdaleaz.app.envivio.com/corporate/performance_analytics/published_static/eX60nf)

<sup>2</sup> <https://app.benchmark.envivio.com/reports/custom/public/5923>

<sup>3</sup> <https://icma.org/documents/icma-open-access-benchmarking-data-and-definitions>