

Written Testimony  
Chris Rieth, GovStat Program Manager, Socrata  
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Mr. Chairman and members of the Commission, thank you for the opportunity to join you here today and offer testimony before your committee.

Thank you also for the opportunity to share with you some lessons learned and thoughts about my six years working for Governor O'Malley in the State of Maryland, where I served as Director of the Governor's Office. During my time there I played a number of roles, from communications and policy research to advisor to the governor on a broad range of issues, including the ongoing development of his StateStat performance management framework.

I say ongoing development because in my opinion there is never an end to the need for governments to evolve, adapt, and grow in this field. In fact, I would argue that performance 'stat' programs are at the forefront of a wide array of government innovations over the past years and will be driving organizational improvement going forward for a long time to come.

### **CitiStat**

To begin, it might help if I define what I see as the key differentiators between the kinds of standard performance reviews and goal setting that most organizations undergo and what the Robert Behn at the Kennedy School of Government refers to as "PerformanceStat." These programs originate directly from the work of the late Jack Maple, a lieutenant at the time with the NYPD, who ultimately revolutionized policing strategies by re-aligning resources in a data-driven way. His efforts helped precipitate one of the most rapid declines in violent crime witnessed in modern American society.

Fast forward to Baltimore City in 1999, under then newly-elected Mayor Martin O'Malley, who was faced with turning around a city that had become the most violent and most addicted in America. Decades of population loss had left the city with a glut of vacant homes that blighted the city streets, served as a refuge for criminals and gangs, and drove down everyone's property values – which had the effect of further eroding the city's tax base and kneecapping their ability to divert sparse available resources to address their outsized challenges.

Upon inheriting that set of circumstances, the Mayor knew he had to act fast and act decisively if he was going to seize any momentum and begin to reverse these trends and the loss of hope that was beginning to grab hold of his citizens. He looked to Jack Maple's work with CompStat.

Instead of running the numbers every few months to see how their actions were affecting crime in Baltimore, and eventually scheduling a quarterly or annual review to decide what went right and what went wrong - they began to meet once a week. The Mayor and his top police brass, face-to-face, in meetings led by the data, rather than gut instincts.

Their efforts paid off. Over the ten-year period that followed, Baltimore had achieved the largest reductions violent crime of any big city in America.

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While this public safety revolution was taking place, the Mayor and Jack Maple wondered if they could point these same data-driven Stat process at the cities other intractable challenges - trash dumping, pothole filling, streetlight outages, graffiti... in short, the enterprise-wide responsibilities of a Mayor. They brought the core tenets of CompStat, regular meetings with the Mayor and top departmental brass, improved data quality, measurable results, the will to reallocate resources when necessary, and relentless follow up – week after week – and called it CitiStat.

It was a fundamentally different way of running a government. It focused on achieving outcomes, instead of just measuring revenues and allocating this year's tax dollars in the same way they had always been split. Most importantly, the process itself began to change the very culture of the government it was a part of. Department heads were routinely accountable to their results week in and week out. Baltimore was also the first to pair these tactics with a powerful citizen feedback tool, 3-1-1, to jump-start a move towards a city that was increasingly responsive directly to citizens.

## **StateStat**

I joined the O'Malley Administration in 2008, shortly after he was elected Governor of Maryland on his commitment to bring his data-driven approach to a state that, despite being the wealthiest in the nation, faces some of the highest violent crime rates in the nation, an ecological crisis in the Chesapeake Bay, and significant racial disparities in education, health, and safety, among other challenges.

As StateStat began to take form, it became clear quickly that this would not be business as usual for state government. 'The way things had always been done' (broad, often unmeasurable goals, quarterly cabinet meetings, glossy annual reports, and elections every four years), began to give way to a new way of governing. Cabinet officials were now being tasked with (1) participating, in person, at meetings happening no less than every two weeks, (2) an obligation to provide and understand the underlying data that was being collected about their agency, and (3) the responsibility of answering for their results; good or bad, according to the story that the data told.

This process of overseeing an entire state and a dozen or so agencies, representing many billions of dollars, was initially being run by a small team of young, motivated staffers, with laptops and Excel spreadsheets. In that first year, the agencies worked side-by-side with analysts in the Governor's Office to identify their core competencies, understand how they aligned with the broader mission of the State, and begin the process of collecting the data that provided a window into their progress week after week after week.

These were powerful steps towards answering the burning questions of public trust: what are the priorities of our government, are my tax dollars being spent effectively, and have we made progress and our priorities?

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Too often these questions have been treated as rhetorical. We all hope that the revenues collected each year are funding initiatives that are achieving genuine results for the people they're meant to serve.

But what about when they're being used inefficiently – or even wastefully? What if the programs we're funding aren't getting any results? Or worse – would we even know that? Are we collecting and evaluating the data that answers those questions in the first place?

Over the course of the next few years, Maryland achieved some resounding successes - we were operating with the leanest executive branch in more than 30 years on a per capita basis, all the while doubling down on our identified priorities. By the end of Governor O'Malley's term, having served through every year of the greatest economic downturn since the Great Depression, Governor O'Malley left the State of Maryland with the nation's top ranked public schools, violent crime rates driven down to 30 year lows, cleaner air and water, and a state consistently named among the top states for its attractiveness in entrepreneurship and innovation.

### **Delivery Units**

Over the years there were several very important advances that took place in how we thought about measuring our progress. We had put in place a system to methodically measure performance – driven by data. We were mapping and spatially analyzing the delivery of state services and challenges. And we were more responsive to the state through stakeholder summits focused around performance and transparently posting our meeting documentation to our website.

But in this evolutionary process there are always new gaps to fill – and one of them was our ability to manage cross-agency, collaborative actions. There was tremendous pressure on the process itself to begin to conform to the agency silo structure. Instead of a team-driven effort, we were holding meetings of two bureaucratic hierarchies – the executive office and the leaders of the agency bureaucracy.

So Governor O'Malley set out to borrow and adapt another innovative idea – this one pioneered by Sir Michael Barber, who worked for Prime Minister Tony Blair called the Delivery Unit. It involved setting big, measurable, cross-cutting goals – and like a detailed project plan – identifying every single link in the chain that helps get you closer to achieving that goal and assigning responsibility for accomplishing it.

Over time these delivery plans became fully embedded in the DNA of Maryland's Stat process. We began to hold meetings on issues like climate change and eradicating childhood hunger – problems that were so large they required many agencies working in tandem to make progress.

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One example of this is BayStat, whose goal was to reverse the declining health of Maryland's most precious natural resource, the waters of the Chesapeake Bay. Its health has declined for generations, and saving it, and turning that trajectory around is one of the greatest ecological challenges our nation will face for many years to come. This is the kind of problem that simply cannot be resolved by one agency (or only the state government for that matter).

In addressing this problem we pulled in every agency in the state's portfolio; our transportation agency for mitigating runoff and rethinking use of impervious surfaces, our agriculture department to find the right incentives for farmers to plant more cover crops that slow the flow of fertilizers into the Bay, our environment department underwent a comprehensive review of regulations for effectiveness, natural resources prioritized the acquisition of ecologically sensitive lands through our open space program, and even our corrections agency got involved – with inmates helping plant nearly one million trees in our state and building cages that protect young oysters to help replenish the Bay's supply (the oysters act as a natural filter).

These are a small sample of actions being taken, but it was absolutely critical that they all be involved – because Maryland depends on the Bay not just as an environmental resource, but as its economic lifeblood: beaches, boating, tourism, film, shopping, sports, and, of course, crabcakes.

### **Communicating Our Progress and Engaging Citizens**

We had become quite adept at collecting and analyzing data, setting measurable goals and measuring our progress against them. The next big question we had to tackle was how to engage citizens more directly. And the solution was in the central tenets of StateStat itself – not just setting goals and measuring progress, but doing so openly and transparently for all to see.

So along with my colleagues Beth Blauer, our first Director of StateStat, Bryan Sivak, our State's first Chief Innovation Officer – Maryland became the first state in the nation to launch an open data portal linking all that stored, dormant information and putting it into the hands of citizens, journalists, and entrepreneurs. And we followed that by launching a first-of-its kind website where citizens could see our progress across 16 stated policy goals, at-a-glance, dive deeper and see the data that supported our statements, and learn about the strategies and methods by which they could get more involved.

We backed that effort with a statewide engagement campaign, and regularly hit the road and held public progress meetings with the Governor and entire cabinet present, key invitations were made to other public and private sector stakeholders, and we selected one goal area (Skills, Sustainability, Safety, Health) to focus in on at each event. We shared our progress and areas where we knew we needed to improve or seek out new strategies, we solicited feedback, publicly, from citizens and community leaders, and we followed up every meeting with reports on how we were re-aligning strategies and resources based on that feedback.

## **Adapting and Expanding**

At the end of the Governor's second term, we had incorporated 15 of the 24 cabinet-level agencies into the stat process. Although most of the largest and most strategic agencies were part of the process, there was still room to expand and bring more programs and departments to the table in the coming years. Similarly, the field is moving so quickly that by the end of our term the practice was evolving elsewhere by incorporating lean and agile principles, formalized career tracks, and goals tied directly to citizen feedback.

In Kansas City, Missouri, KCStat adopted the larger methodology behind the Governor's Delivery Unit and have advanced the practice by publicly setting goals related to areas like transit performance and infrastructure maintenance that are tied not to the number of services delivered - but to whether citizens are ultimately satisfied with the service they're receiving. They accomplish this by conducting an annual citizen survey, sharing the results publicly and aligning their goals according to the key areas of concern raised by citizens rather than politicians and bureaucrats, and then design quarterly surveys to capture satisfaction and measure whether they are able to improve citizen's perception of the functioning of their city government.

In the State of Oklahoma, Governor Fallin recently called for her state to become the first in the nation to tie every single state general fund dollar to performance indicators. The program will be directed and managed by OKStateStat, which if passed, will become a central determinant in evaluating program performance and directing taxpayer resources to programs that demonstrate effectiveness in delivering outcomes, rather than simply relying on decades-old funding formulas and gut instincts.

## **Staying Power**

As these programs continue to reshape the culture of government from bureaucratic and rigid to collaborative and agile, there are rarely examples of moving backwards along this spectrum. When the political winds changed in Maryland this past November there was a real fear that the StateStat program could be deemed too 'democratic' to survive the transition. Do Kettl, a professor of public policy at the University of Maryland and fellow with the Volcker Alliance, wrote an open letter to the new Governor in the Baltimore Sun. He laid out the challenges that the new administration would face, and surmised that the new Governor's most "promising a path to ensure that government produces value for citizens is continued use of StateStat, a world-class program to improve the performance of government." He went on to lay out his case that the new Governor will...

*need what it does... provide real-time evidence on what works in state government and what doesn't. He can change the sign on the door if he wants — but he needs to keep the best tool he has to improve the performance of government. It's saved 64,000 hours of waiting time at Department of Motor Vehicles offices, produced DNA matches that*

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*took 500 bad guys off the streets and brought infant mortality down 17 percent. It's one of the most important tools in the gubernatorial toolbox.*

Governor Hogan agreed and the Maryland StateStat program will continue under his administration, just as CitiStat in Baltimore continues under the tenure of its third Mayor since inception, and numerous other cities that have passed the baton of this new era of more effective governance from one administration to the next.

Thank you for your time and consideration today, and I look forward to answering any questions you may have.