

Outsourcing Non-Core Tasks: Improving the Focus on Public Safety

In addition to finding new sources of revenue, public safety agencies facing unprecedented budget cuts can save money and better allocate personnel by outsourcing non-core tasks through a core competency analysis.

PSHS Trend #11: As the economy worsens, the struggle to maintain service levels and meet new challenges will lead police, fire fighters and public health leaders to implement performance plans and shed non-core responsibilities to outsourcers and volunteers.

While approximately 80 percent of American cities outsource some services or administrative support functions, public safety has traditionally been viewed as too sensitive to let others play (see PSHS Research Note #24: "Law Enforcement Trust Issues: SaaS and Cloud Computing"). But in a time of unprecedented cuts to public safety budgets, police, fire and emergency management departments should consider outsourcing functions and services outside their core missions to cut costs, improve quality, reallocate key resources to mission-critical tasks and increase organizational flexibility.

Outsourcing has been used by the private sector, and increasingly by state and local governments, to solve specific problems or supplement ongoing non-core operations at better value. Private-sector service vendors often enjoy a number of advantages over their in-house public-sector counterparts, including economies of scale, less restrictive regulations, specialized expertise, less cumbersome bureaucracies, more flexible labor relations and greater willingness to invest in capital equipment to improve efficiency in the long-run.

Outsourcing decisions start with a core competency analysis to find activities which aren't mission critical. They can be done by an outside party with the same quality for lower cost, or at the same cost for higher quality. Activities that meet these criteria can be outsourced if the public safety agency's managers

know how to manage outsourcers and can avoid "vendor lock-in" traps.

Public safety officials should be aware that outsourcers and in-house staff may not perform a given non-core task the same way. Public safety agencies need to be flexible. They need to accept that tasks performed in a different way may still be acceptable so long as they don't force unacceptable changes in upstream and downstream processes. Leaders also need to know enough about the task they are outsourcing to properly manage the contractor, and should add the cost of management of the outsourcer to the economic analysis of the given opportunity. Managers should also be wary of losing all in-house knowledge about how to perform the outsourced activity in case the agency needs to take back the duty from the contractor or switch contractors.

In addition to obvious non-core tasks, like custodial and administrative support services, public safety leaders should consider areas such as public outreach and education, data analysis, ticket and fee collection, and some investigative services. For example, private operators contracted to handle parking enforcement are often more willing than police departments to invest in equipment and technology that will improve productivity and efficiency. **Atlanta, GA, Anaheim, CA, West Hollywood, CA, and Montgomery County, MD**, are among cities and counties that have outsourced

some aspects of parking enforcement and realized substantial cost improvements. **Chelsea, MA** has outsourced its entire parking enforcement operation. In 1992, the program operated at a deficit and had annual collections of about \$150,000. In 2006, parking enforcement collected \$1.6 million in revenue and operated at a net surplus of \$1 million.

Call centers are another outsourcing candidate. Sworn personnel still staff some 911 call centers, like the one in Montgomery County, MD, but civilians often do the job at lower cost and without union headaches, though call processes need to be carefully designed to enable quick, smooth transition to knowledgeable staff for emergencies that merit such treatment. In addition to employing civilian operators, **New York City** outsources a portion of its 311 calls to private vendors during peak call times. The city also contracts **Language Line**, a translation and interpretation company, to handle foreign-language calls. New York found that using contracted call assistants reduces the need for costly permanent personnel during peak periods and allowed them to provide more complete services to the city's sizable foreign-born populations.

As for investigative services, private DNA labs are already common and we expect to see more private/public partnerships to deal with forensic accounting, identity theft and cyber crime investigations. Banks and other financial institutions are the leaders in detecting and mitigating 21st century crimes, so it may make more sense to rely on them to perform some well-defined tasks than to do them in-house. Likewise, **Houston, TX** outsources background checks for incoming fire cadets to two local private investigative firms. The city accepts approximately 375 new cadets each year out of about 2,000 applicants, each of which need to be vetted.

Several cities and states have replaced police officers or city-salaried guards with private security guards at government facilities. In 2005, **Berkeley, CA** contracted **Securitas Security Services, USA** to provide security guards at two city office buildings. In addition to being more cost-effective, the city found the contractor provided more flexibility in staffing. **Kansas, New Mexico, and Missouri** also use private security guards at state office buildings, due to labor flexibility and cost savings.

Volunteers may also be a good “outsourcing” option. Many cities already have auxiliary, reserve or volunteer police officers and fire fighters, and there are lots of opportunities for volunteers to provide support. Public safety agencies could take a page from airports and museums, which often staff information booths with volunteers as part of a Volunteer/Visitor Information Program (VIP). Police in **Lakewood, CO** use volunteers throughout the department to do clerical work, computer entry, statistical analysis, fingerprinting, handicapped parking enforcement, investigative assistance, community presentations, and neighborhood speed control. Volunteers also manage the neighborhood watch program and create and distribute police newsletters. Many are retired senior citizens who want to keep busy and give back to their community, and all are under the supervision of City personnel.

Public outreach and educational services can often be assigned to concerned volunteers. For example, to deal with state budget cuts, rural fire departments in **San Diego County, CA** have engaged volunteers to embark on their largest- ever fire prevention campaign.

Action Item: Public safety agencies should use Core Competency Analysis to look for tasks that can be outsourced to private contractors or in-house civilians and/or volunteers to save money, improve quality and increase flexibility.