



A Whitepaper:

**Privatizing Emergency Communications
Call Taking and Dispatching Centers**

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Understanding the Challenge

After many years of controversy over the pros and cons of privatization, the bottom line is privatization works. Privatization has built a track record of lower costs and better quality for a number of commonplace government services including garbage collection, police car maintenance, school transportation, and food service in jails and schools. Now, local governments have begun to view a newer and more complex service, 9-1-1 emergency dispatch, as an area where privatization might also lead to lower costs and better service¹.

The Battle Cry . . .

“Right-wing politicians continue to use privatization to circumvent civil service systems, due process protections, sunshine laws, and other crucial safeguards which ensure honest and open government; and to reward their corporate friends with contracts, while taking away public workers’ jobs, rights, union contracts, and political power².”

The reality is that privatization is not the domain of any one political party or ideology. In the U.S., privatization is used by leaders of both major political parties, and they have demonstrated that not only can politicians at all levels successfully privatize public services, but they can get re-elected after doing so. For example, former Indianapolis Mayor Stephen Goldsmith, a Republican, identified \$400 million in savings through competitive bidding. Chicago Mayor Richard Daley, a Democrat, has generated over \$3 billion in privatization deals. And when Democrat Ed Rendell, governor of Pennsylvania, was mayor of Philadelphia, he saved \$275 million by privatizing 49 city services³.

And What About the Loss of Public Control?

This is a fundamental misunderstanding of the nature of privatization—that government loses control of an asset or service once it is privatized since the public sector is no longer providing that service. In well-structured privatization initiatives the government and taxpayers gain accountability. In fact, the legal foundation of a privatization initiative is a contract that spells out all of the responsibilities and performance expectations that the government partner will require of the contractor. Any failure to meet the performance standards specified in the contract could expose the contractor to financial penalties, and in the worst-case scenario, termination of the contract. So government never loses control—in fact, it can actually gain more control of outcomes—in well-crafted privatization arrangements.⁴

And What about the Hurt to Public Employees?

Privatization tends to encounter opposition from public employee unions who view it as a threat to their jobs and influence. Well-managed privatization initiatives need not put undue burden on public employees, however. Comprehensive examinations of privatization initiatives have found that they tend to result in few, if any, layoffs—those not retained by the new contractor usually either retire early or shift to other public sector positions—and that public employees can actually benefit in the long term when hired on by contractors, as private companies often present greater opportunities for upward career advancement, training and continuing education, and pay commensurate with performance, for example. Nevertheless, it is important that management communicate early and often with the public employee unions regarding privatization initiatives.⁵

What Makes Privatization Successful?

The most important measure of success in privatization is the amount of money to be saved! Cost savings may be realized through competition, economies of scale, reduced labor costs, better technologies, innovations or simply a different way of completing the job. Our first hand experience has shown Emergency Communications Center *privatization solutions can yield up to 25% savings* over existing publicly managed methodologies. Outsourcing managed services for 9-1-1 call taking and dispatching is an excellent option for agencies looking for privatization solutions to lower operating costs.

Our research has also shown that most Emergency Communications Center Privatization solutions have initially begun as consolidation or co-location initiatives. Consolidation is the logical first step toward cost savings. *However, privatization should be considered as the logical next step, one that can realize additional cost savings above just consolidation or co-location solutions alone.*

Nearly as important as cost savings is having a long term plan that lays out a structured approach for the privatization implementation. This begins with establishing a governance team whose goal is to develop the team's vision and promote buy-in from all involved partner agency stakeholders. Sometimes referred to as the "politics of inclusion", privatization's success hinges on a top down approach to its acceptance. This means eliciting involvement and gaining buy-in from all levels within each agency affected by the privatization project.

Agencies should employ trusted partners that will analyze existing environments and data in an effort to understand the agencies needs and identify the critical problems to be solved. Each member in a public/private partnership team brings to the project a level of unique experiences and subject area expertise that will impact overall privatization acceptance and the project's ultimate success. Partners should be sought who will offer options, develop customized plans, and have the capacity to offer continuing value added services to ensure operational sustainability beyond the scope of the initial project.

Only through the power of true collaboration and the establishment of a joint management/labor/private partnership team, at the outset of the project, can involved participants fully process this paradigm shift in service delivery. With the project's objectives, timelines, and overall success being guided through a coordinated structure of key stakeholders, the level of buy-in required to accept privatization will be fostered through a flexible and fear-resistant mindset.

Any successful privatization process will ensure transparency, accountability and the delivery of high-performance services through a strong, performance-based contract. This accountability includes the reduction of risks to the public agencies by shifting major liabilities from the public agencies to the private trusted partner. By using best practices, dedicated industry experts, and lessons learned from past experiences, the likelihood of achieving success through privatization becomes greatly enhanced and the goal of cost reduction a tangible reality⁶.

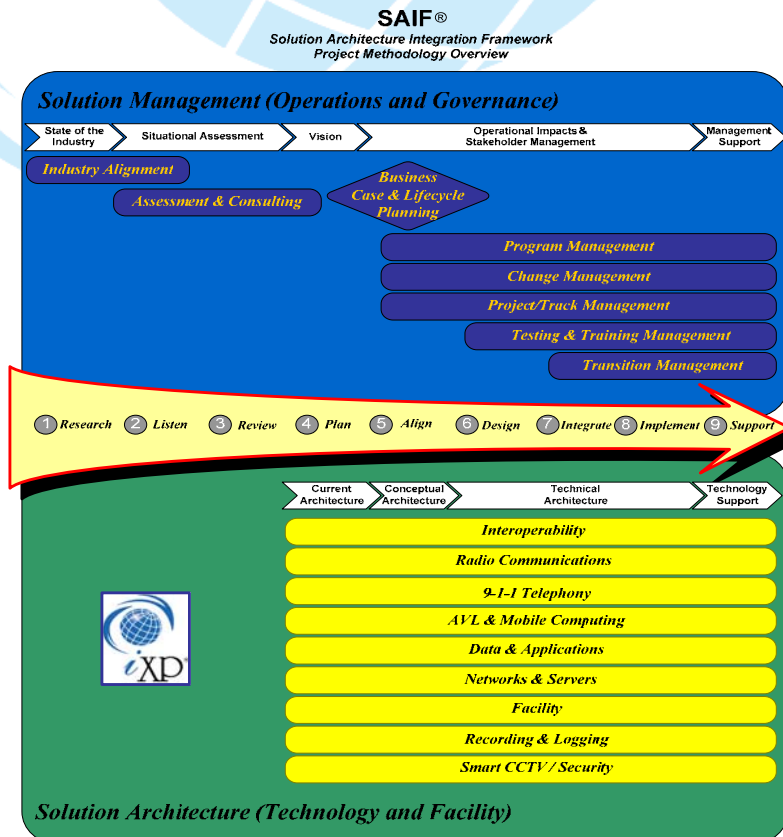
The benefits are clear: more choices and lower costs. States, Counties and Municipalities need not rely on a one-size-fits-all approach to managing their emergency systems. They may contract for the entire operation (equipment and employees), just the equipment, or just the employees. Governments involved in emergency services can concentrate on delivering life-saving services more efficiently and effectively by contracting with a private agency for any number of components of the total service⁷.

The iXP Approach

As a Privatization partner iXP’s goal is always to discover the true business need and deliver a solution suitable and customized to the client. Whether contracted for a complete communications center build from the ground up or simply the outsourcing of dispatching services, iXP consultants are always mindful that public safety and governance needs must be measured against the strategic goals of the agencies, make sense within their environment, guided by the vision of its leadership, inclusive of affected stakeholders, and blend appropriately into existing government resources.

iXP utilizes our SAIF® - Solution Architecture Integration Framework methodology to guide consolidation and privatization engagements. This “Total Solution” methodology has been specifically created to support complex public safety projects through their full life cycle. Its unique approach brings a combination of holistic management disciplines and specific technical areas of expertise that are commonly required for public safety integration initiatives. ***Utilizing this methodology our client initiatives ensures that all critical elements are addressed in the defined scope of work and that no essentials are overlooked or omitted.***

The SAIF® methodology addresses Governance, Operations, Technology and Facilities considerations in a structured manner so that critical inter-relationships between these domains are well understood, documented and planned. This allows sound Business Case, Business Model and Lifecycle plans to be developed that map to the client’s unique needs and constraints. Depending on the scope of services required by the client, iXP tailors the project plan with elements from the SAIF® project lifecycle to meet the client’s needs. This assures that no matter how broad or narrow the specific engagement, the work products are structured in a manner that recognizes their relationships to the full life cycle of the initiative. ***An overview diagram of the SAIF methodology is depicted here.***



Again, as part of our **SAIF** methodology, we include the integration of the four critical building blocks of - Governance, Operations, Technology, and Facilities.

Governance - insuring the alignment of organization leadership and navigating through the process of achieving consensus on program vision, standards, and procedures.

Operations - reviewing policies and procedures and gauging all plans, designs, and implementations in relation to how well they will improve the business operations.

Technology - optimizing security, efficiency, and information availability through assessed reviews of existing technology environments and producing recommendations for vendor independent solutions that provide the “best fit” for meeting and exceeding custom business requirements.

Facilities - supporting business operations by providing information protection through limiting exposure to threats while maintaining high availability and reliability of data and a secure work environment.

Our proven methodology and four keystone building blocks insure we establish a “public safety mindset” where consultants create a culture that places customer service first. This is done through understanding the vision of government leaders, early inclusion and team building with project stakeholders, our ability to lead and motivate, delivering a solution in a predictable and cost-effective manner, and bridging work groups by facilitating ongoing communications effectively.

iXP Privatization consultants address a client’s true business need, problem definition, and solution options through a phased approach with includes:

- Assessment
- Design and Build of a Business Case
- Implementation

Assessment

Our assessments always begin with a visioning session, a baseline inventory and evaluation of the client’s current environment and business objectives. Our findings identify vulnerabilities and severity of risks and make recommendations that facilitate discussions which result in a high level conceptual design for a preliminary system-wide solution. Successful business continuity planning requires a unique focus. It’s more than just understanding facilities and systems. It is also critical to understand the human activities, the support activities, and the vendor relationships that allow our client’s organization to sustain operations even under the direst circumstances.

Design and Build of a Business Case

The iXP technical team develops and delivers written preliminary governance/operational requirements, design specifications and solution options based on the client's functional and performance requirements. This provides clients with budgetary cost estimates and the preliminary implementation timelines associated with the recommended technology solutions and the exact elements required for implementing the project to a successful conclusion. This excellence in upfront planning allows clients to manage costs early in the project, achieve a degree of financial predictability and avoidance of costly changes later in the effort. Planning allows our clients to define where they are now, where they want to be in the future, and how to get there. Knowing where the end is, is critically important and our written plan is their roadmap to success.

Implementation

Our iXP implementation team helps clients with the selection of public safety industry standards and best practices that meet or exceed their business requirements while transforming their internal agency culture to meet the demands of evolving Federal, State and local security and legal concerns.

Whether contracted for a complete communications center build from the ground up or simply the outsourcing of dispatching services, our project management consultants oversee vendor selection, personnel management, technology delivery and integration, system administration, testing, turn-up and training. Through ongoing assessments we identify any operational changes that should be integrated into the client's implementation and training needs.

iXP's consultants constantly evaluate the client's operational environment to ensure the defined program objectives are being met and regularly report, through an established communication process, both internally and externally, throughout the project.

In summary the iXP approach includes:

- Alignment of all stakeholders to a common vision and goals
- Assessments of risk severity and identification of project scope, gap analysis
- Comprehensive planning that spans the entire project
- Design and Delivery of a Business Case
- Coordinated performance of all members involved
- Ongoing project monitoring and course correction
- Preparing for and managing change
- Proactive and open communication
- Ongoing managed services

The bottom line - our Privatized managed services offer clients a full service approach.

An Example of How iXP Makes it Work

iXP Develops New Shared Communications Center for Sandy Springs and Johns Creek, GA

The Situation

The newly incorporated cities of Sandy Springs and Johns Creek, Georgia engaged iXP to provide both consulting and project management services to develop an E911/Dispatch Emergency Communications Center to serve their respective newly formed police and fire operations. Sandy Springs and Johns Creek, with respective populations of 100,000 and 70,000, are both located within the northern Atlanta metro area and, although only recently incorporated, represent well established and vibrant communities.

Not satisfied with the level of public safety and civic services being provided through a county system, both cities have made significant efforts to create local services while upgrading the quality, scope and response to their residents. Having completed much of the process, they turned to iXP to provide the final, critical piece of their public safety forces - an Enhanced 911/Emergency Communications Center.

The Solution

This effort resulted in a "ground up" design, implementation and operation of a Communication Center and associated technologies. It featured the identification and build-out of the facility and a comprehensive technical program. Among the items implemented are an integration of a CAD system with interfaces to multiple RMS programs, 9-1-1 and general telephony systems, Automatic Vehicle Location system, and an early warning system. iXP needed to plan and execute a CAD solution that was right for a newly consolidated dispatch operation, while also being a good fit for several incumbent RMS environments in the participating agencies. We developed the requirements, requested solutions from vendors, evaluated options, selected and implemented the new systems.

Since this is a build-own-operate situation, we not only made the recommendations but we also are implementing and operating successful solutions and services based on those recommendations. Therefore, Governance processes, the Concept of Operations and Standard Operating Procedures have also been developed in accordance with high levels of accepted public safety communications practices and nationally accepted standards with an expectation of national accreditation in the future.

iXP also performed a detailed operations and staffing analysis for the E911/Dispatch Emergency Communications Center.

The Results

The result is a state-of-the-art Communications Center that jointly serves the police and fire operations of these two cities, coordinate critical communications with contract EMS services and is poised strategically to expand the scope of operations to include additional emerging incorporated cities or existing neighboring operations to take advantage of economy of scale.

iXP provided the services to find and 'outfit' the facility, design and procure all the technology and systems in support of the 9-1-1 center (including CAD, telephony, radio, Logging/Recording, time synchronization, etc.), and hired and trained the employees that are now providing the call taking and dispatch services, and all tasks were completed within seven (7) months of contract signing.

Continuing as a trusted partner, iXP is now operating the Communications Center and selected technologies on a service level delivery basis founded on the outcomes of the staffing analyses. As such, our operational and staffing models and recommendations, as well as the technologies selected and implemented, must be based on sound methodologies as we 'live by' our recommendations under a performance-based contract. Privatization success!

Can This Work for Your Communications Center?

In governmental agencies across America there currently exists an economic crisis. Budget deficits are projected to increase over the next couple of years. Privatization solutions are actively being sought.

County and Municipal Privatization

Counties and municipalities are facing reduced State subsidies due to the current economic crisis sweeping across the States. For governmental agencies looking into shared services, some have begun to look into consolidation solutions for 9-1-1 call taking and dispatching services.

Consolidation is the first step to reaching Privatization, but Privatization it seems has not been a targeted goal. *By solely focusing on consolidation, governmental agencies may miss out on the opportunity to realize additional savings they so desperately need.* Outsourcing managed services for 9-1-1 call taking and dispatching is an excellent option for agencies looking for privatization solutions to lower operating costs.

The time to talk is now.

iXP . . . Problem Solved.

ENDNOTES

¹ Mackinac Center for Public Policy, 911 Emergency Response: Dispatching Privatization, 1998, 15 April 2010 <<http://www.mackinac.org/797>>

² American Federation of State, County and Municipal Employees (AFSCME), Fighting Privatization of Government Services, Resolution No: 51, 38th International Convention, Moscone West, 2008, 15 April 2010 <<http://www.afscme.org/members/24346.cfm>>

³ Leonard Gilroy, The Reason Foundation, Local Government Privatization-101, 2010, 15 April 2010 <<http://reason.org/news/show/local-government-privatization-101>>

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Mackinac 1998.

