Mission Statement

Springsted provides high quality, independent financial and management advisory services to public and non-profit organizations, and works with them in the long-term process of building their communities on a fiscally sound and well-managed basis.
LETTER OF TRANSMITTAL

December 6, 2012

Ms. Bridget Hoffman
County Coordinator
Wabasha County
625 Jefferson Avenue
Wabasha, MN 55981

Re: Organizational Assessment – Preliminary Findings

Dear Ms. Hoffman:

I am pleased to present the Preliminary Findings of the Wabasha County Organizational Assessment. A broad cross section of county officials was actively involved in this initiative and the employee-wide survey enabled all county staff to participate in the study process. Genuinely speaking, especially at this stage, the more people involved the more credible and reliable are the Findings.

Preliminary Findings are a synthesis of ideas, opinions and interview comments. They are organized by study topic and augmented by my personal experiences and professional perspective. Upon completion of my presentation, I will ask county officials to submit comments and feedback with in a prescribed timeline. The input received from county officials will be studied and evaluated for purposes of preparing the recommendations and Report.

I want to thank you for your support and assistance in coordinating the many meetings and details that are required in a study of this nature. I appreciate your prompt replies and insightful feedback. I also want to thank all of the elected officials and staff for their time, patience and insights. I look forward to working with you to complete the Organizational Assessment.

Respectfully submitted,

David Unmacht
Springsted, Incorporated

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I. Study Process (to be finalized in the Report)

Findings Note: At this stage, this information is a work in progress. It is provided to reflect how the Study Process will be presented in the Report.

The process used for Organizational Assessment included these __ steps:

- One-on-one interviews with 14 department managers from across the County. At least seven department managers had a follow-up focused conversation on each of the study topics.
- A variety of personal phone calls and follow-up discussions.
- On-line confidential staff survey – 68 respondents out of XX staff members.
- Two sets of one-on-one interviews with the County Board members.
- Tour of the four facilities: Courthouse, Public Works, Criminal Justice Center and Social Services Building.
- Analysis of county data, such as organizational charts, building and space layouts, budget information, 2011 audit and management letter.
- Phone calls and conversations with school district, and city and county officials in neighboring jurisdictions.
- Conversations and discussions with professional peers.
- Review of documents, presentations and handouts including:
  - Minnesota Office of the Legislative Auditor – Consolidation of Local Governments, April 2012;
  - Minnesota Redesign – Association of Minnesota Counties (AMC), 2009-2010;
  - Southeast Minnesota Human Services Redesign Initiative;
  - State of Minnesota Delegation Agreement Implementation Plan;
  - Information Brief from the Minnesota House of Representatives, 2011;
  - Findings and Conclusions Phase I Discovery Wabasha County Study Commission – Interim Report, July 2012; and
- Information from various websites.
- Preliminary Findings Presentation to the Department Heads and County Board, December 2012.

Each of these steps was an important component of the overall process. Collectively they formed and shaped the findings, conclusions, and recommendations.
II. Preliminary Information from the Employee Survey

A confidential on-line survey was used to give staff the opportunity to provide input and share ideas in a manner which protected their privacy. The purpose of the survey was to ask a series of questions related to the core objectives of the study. The following 14 questions were asked in the survey:

1. How long have you worked for the County?
2. What building do you work in?
3. My position is: Supervisor/Non-Supervisor.
4. The level of coordination and cooperation between departments within the County is?
5. What is one example today where you would increase the partnership and coordination between the departments?
6. Please rate the level of communication that presently exists within the County.
7. What is one example of where you would increase the communication within the County?
8. Do you believe there are partnerships, collaborations or cost sharing that can be done with other counties and public agencies?
9. Do you believe there is any duplication of services that is going on in the County?
10. Do you enjoy working for Wabasha County?
11. The County is undertaking an organizational review with the stated purpose to identify ideas and thoughts about improving the efficiency and effectiveness of the work we do. What is the number one organizational priority that should be considered as part of this study?
12. List the top two strengths of the County.
13. List the top two areas where you believe the County can improve.
14. Do you have any final comments you want to share?

This was a comprehensive set of survey questions. There are 53 pages of data, comments and material to be reviewed, analyzed and factored into the final recommendations.

The following information below represents highlights of the survey data. Of the 160 members of the staff that were eligible to respond, there were 68 survey participants which equates to a response rate of 42.5%.
Below are a selected group of charts and graphs that reflect the findings of the employee survey.
My position is:

- Supervisor: 25.0% (17)
- Non-supervisor: 75.0% (51)

The level of coordination and cooperation between departments within the County is?

- Very good: 22.1% (15)
- Good: 50.0% (34)
- Fair: 23.5% (15)
- Poor: 4.4% (3)
The level of coordination and cooperation between departments within the County is?

- **Very good**
  - Highway: 22.2% (2)
  - Courthouse: 26.3% (5)
  - CJC: 35.7% (5)
  - Public Works: 12.0% (3)
  - Social Services: 10.0% (1)

- **Good**
  - Highway: 42.9% (6)
  - Courthouse: 52.0% (13)
  - CJC: 52.0% (10)
  - Public Works: 44.4% (4)
  - Social Services: 100.0% (1)

- **Fair**
  - Highway: 22.2% (2)
  - Courthouse: 21.1% (4)
  - CJC: 32.0% (8)
  - Public Works: 14.3% (2)
  - Social Services: 7.1% (1)

- **Poor**
  - Highway: 11.1% (1)
  - Courthouse: 4.0% (1)
  - CJC: 7% (1)

Please rate the level of communication that presently exists within the County?

- **Very good**
  - 2.9% (2)

- **Good**
  - 45.6% (31)

- **Fair**
  - 35.3% (24)

- **Poor**
  - 16.2% (11)
Do you believe there are partnerships, collaborations or cost sharing that can be done with other counties and public agencies?

- Yes: 47.1% (32)
- No: 52.9% (36)

Do you believe there is any duplication of services that is going on in the County?

- Yes: 7.4% (5)
- No: 92.6% (63)
Do you enjoy working for Wabasha County?

Yes: 66.2% (45)
No: 33.8% (23)

Do you enjoy working for Wabasha County?

Yes: Highway 100.0% (1), Courthouse 71.4% (10), CJC 84.2% (16), Public Works 44.4% (4), Social Services 56.0% (14)
No: Highway 22.8% (4), Courthouse 15.8% (3), CJC 55.6% (5), Public Works 44.0% (11)
Survey Information

A preliminary analysis of the employee survey results and an aggregation of all the comments and responses to the questions, offers the following reflections:

- With one exception (16 to 20 years) the results reflect an even distribution in the employee tenure.
- Over 70% of the respondents believe the level of coordination and cooperation within the County is either Very Good or Good.
- Over 51% of the respondents believe the level of communication that presently exists in the County is either Fair or Poor.
- Essentially an equal response (47% to 53%) was received on the question of whether there are partnerships, collaborations or cost sharing that can be done with other counties and public agencies.
- An overwhelming number of staff 92.6% does not believe that there is any duplication of services going on in the County.
- Two-thirds of the employees that responded (66%) enjoy working for Wabasha County and one-third (33%) indicated that they do not enjoy working for Wabasha County.

Strengths

- The overwhelming feedback on county strengths referenced the employees. Descriptive terms used to define the positive aspects included: experienced, educated, knowledgeable, hard working, loyal, good people and staff enjoy their work and profession.
- Another strength was the customer service. Terms used to describe the customer service included: friendliness, cost effective, personal assistance, go the extra mile, not overly staffed, and genuine commitment to do the best.
- Other strengths included a cross section of responses such as small town feel, geographic location, events and activities and tourism.

Areas of Improvement

- A significant number of responses included the need to improve the existing relationship between the County Board and staff. Comments were wide ranging and extensive.
- Communication at all levels was another subject that came up often as an area that needs improvement.
- Human resource programs and services were highlighted as a strong need, including training, succession planning, leadership development, and effective supervision.

Noteworthy Themes

- Frustration over present state of relationships; desire to create civility, openness and respect.
- Uncertainty over what the future holds; doubts about the study and survey.
- Desire to increase morale, trust and communication; role definition and clarity needed.
III. Opportunities to improve teamwork, interdepartmental cooperation and employee communication in Wabasha County Government

For purposes of presentation and ease of understanding, the topics of teamwork, interdepartmental cooperation and communication were combined into one section. Although distinct, all three of these are inter-related and connected.

An effective workplace culture is defined by strong teamwork, active interdepartmental cooperation and open communication. Based on the extensive interviews county staff believe the present level of teamwork and interdepartmental cooperation is good. Communication, on the other hand, is not quite as strong as the other two qualities. Creating an organizational priority to enhance and improve team work, interdepartmental cooperation and communication is a solid policy objective.

There is no quick fix to changing workplace behaviors or traditional patterns and historical relationships. Wabasha County is a relatively small workplace and personal relationships are deep rooted and well established. This is no more evident than the testimony from those individuals that join the workforce that are not from the County. In Wabasha County informal and persuasive qualities are more influential than formal and hierarchical qualities. Although workplace cultures can change and evolve, it takes deliberate, purposeful and sustained inertia and action to ensure that changes will be sustained over time and have the impact that is desired.

The number one opportunity that would improve teamwork, interdepartmental cooperation and communication in Wabasha County is building trust and transparency. This has to begin at the County Board level. These three qualities can not, in and of themselves, be isolated for evaluation and measurement independent of the Board-staff dynamic. This is especially true in a county coordinator model of governance where the County Board not only serves as policy-makers, but managers of staff too. It is important for the County Board to understand that they must lead by example. Some staff improvements can occur, but significant change and sustained and measurable improvement will occur only if the County Board initiates change in its own behavior.

Findings

The following represent ideas and possible opportunities to improve teamwork, cooperation and communication within Wabasha County.

- Re-examine your Values Statement to include qualities and characteristics desired in a strong and effective workplace culture. The present Value Statement is unique in that it reflects process, but not people.
  - “Wabasha County government places a high value on processes that are simple, efficient and effective, and on conducting business in a fiscally responsible manner.”

- Create an environment that supports education and learning about what other county staff does, especially in different buildings and facilities. The present decentralized office space structure hinders effective employee engagement and across the board learning.

- Get to know each other. Support informal social opportunities and employee engagement. Building informal and interpersonal relationships will go a long way toward enhancing the three workplace qualities. Improvements in this area do not have to be all business. In fact, the
optimal workplace environment has employees engaging in day to day and routine examples of positive behaviors without any recognition or need for reward.

- Flexible workplace culture. Create an environment that allows for sharing resources; moving staff around to help in difficult or busy situations and supporting flexible schedules.
- Introduce a stronger management team role and responsibility. Continue to have communication and information sharing as a purpose of the meetings, but spend time on generating ideas and initiatives in these three areas. Assign one person to lead the discussion.
- Create cross functional work teams to address county issues and opportunities. Organize employees into a work team to address a complex problem or question. Ask staff from all departments and levels to participate. Direct the work team to analyze the issue and prepare ideas and options for decision-makers.
- Create a cohesive and organized communication from the County Board to provide information on Board actions, priorities, issues and challenges. Misinformation thrives within the County.
- Develop supervisory team work to share ideas and experiences. Bring supervisors together to share common experiences, get to know each other and serve as informal or formal mentors.
- Hold periodic training on important and universal topics that hinder the workplace culture; and/or conduct training sessions on common skills that are needed in the workplace.
- Engage the staff in meaningful discussions about their work and workplace. Employees truly do care and sincere efforts to engage and seek their honest feedback and input goes a long way.

Another key variable that impacts the three qualities is spatial. With the four facilities it is inherently difficult to create a common and consistent workplace culture. It is certainly desirable and worthy to seek some level of equality – that is a reasonable expectation. However, keep in mind that any benefits derived from reducing the number of office sites, in and of itself, is not a primary driving factor in the improvement of these three qualities within the County.
IV. Opportunities to minimize and/or reorganize our current organizational chart through consolidation or combining departments and staff

Throughout the interviews opportunities to reorganize the present structure has been a central theme of respondents. The Findings will reflect that there are opportunities in Wabasha County that support research, study and discussions on redesigning the County’s organizational chart.

In practice, organizations redesign their structure to increase coordination or integration of services, combine like functions, and/or seek to alter the present span of control environment. Financial and cost savings can be an outcome of this action, but it is not the sole determinant or driver. And, it is very important to point out that in some instances, there is an upfront investment of resources necessary to rearrange the chart – such as remodeling space, moving staff, etc. All of these considerations – and more – are present in any deliberate conversation on the structure of an organization.

Perspective

There are five tips and suggestions for what not to do in a reorganization and they include:

- Reorganize around current personalities;
- Reorganize out of convenience as opposed to logic and anticipated outcomes;
- Reorganize around historical conflicts or problems;
- Reorganize to consolidate control and power (or to take it away); and
- Reorganize to believe that restructuring will fix all organizational issues.

Similarly there are five tips and suggestions for when a reorganization may be a positive outcome and they include:

- Improve integration and coordination of work in units that share functional areas;
- Span of control is spread too thin and not efficient;
- Provide for the ability to focus on organizational and strategic issues;
- Existing hierarchies and structures do not meet current expectations, standards or trends; and
- Enrich the level of consistency in policy, operations and culture.

Catalysts to changing structures often come in several forms: a change in personnel (generally a top administrator of one of the departments leaves or retires); a facility/space change (new or remodeling of a building); a change in policy and interests of the governing body; and/or a change in client service philosophy (a county seeks to gain efficiencies through integration and improved client coordination and access to services). It is not uncommon for counties to have several motivations at the same time. All of these are relevant and potentially applicable in Wabasha County.

It is important to point out that changes to the County’s structure should compliment other organizational improvements. Structural changes do not in and of themselves, fix long-term issues. For instance, “moving boxes and solid and dotted lines along organizational charts may not solve what are really resource issues, poor business processes, inadequate performance management, ineffective training, etc.” In Wabasha County a balance of the two solutions is a needed response.
Findings

In no particular order the following nine (9) areas represent opportunities and possibilities for Wabasha County.

- The County Board has to determine its primary role. Today, the Board’s role is confusing with a mix of day to day, operational, policy, management and governance. If the present County Coordinator model remains, then the County Board must fully and completely understand what its new role is in this form of government.

- The County Coordinator model does not allow for anyone to be responsible for the day to day operations, the strategic direction, the unification of the county staff, and the go to person in times of need. There is a need to have an individual responsible for implementation of county policies, Board directives and county-wide organizational development. This is presently lacking.

- The GIS Coordinator was relocated to the Auditor-Treasurer’s Office when the County Administrator position was eliminated. The value of GIS applications and potential is county-wide. The location of GIS should ensure that the services are being realized across all departments. If that is happening, then the location is good. If not, then the GIS position may be more appropriately located in Information Technology. Experience shows that GIS is also located in Public Works and Planning functions.

- The Emergency Management Director is a single stand-alone position that is housed in the CJC and works closely with the Sheriff. Single stand-alone departments offer opportunities to assign the role and function to another department; in this instance with the Sheriff.

- A new Environmental Services Administrator is on board and becoming oriented to the roles and responsibilities of his office, including planning, zoning, solid waste, etc. The Public Health Department also has an environmental health focus, but in a different area, including food, beverage and lodging inspections (Delegation Agreement), wells and septic systems. Although these are distinct functions, they are functionally similar.
  - Broad-based environmental services departments are often either stand-alone or combined with public health. There are opportunities here that need to be explored.
  - This is a timely opportunity to provide clarity, direction and vision to the environmental services administrator in the priorities and responsibilities of his work.

- The Social Services and Public Health Departments are in a great position to begin planning for the future. Two long time Directors have established relationships and have expressed openness to talking about a combined structure. The two departments reside in the same building and no plans exist to move or relocate them. This is an area of opportunity for good solid planning and potential reorganization.
  - Presently the space is allocated by department rather than by service or function.
  - There are two distinct support staff stations. Each has differing skills and roles, but there are possibilities for efficiency in combination and redesign.
  - A single director is a trend in the marketplace, but it has to be accompanied by an assessment of the skills needed to effectively manage the day to day operations and business of both departments equally.
The experience of other counties, which includes direct testimony from county officials, indicate that the benefits of merging are: coordinate client services, share resources, case management cooperation and collaboration (referrals), efficiency (accounting and billing), coordinate support staff work, and improve staff communication and working relationships.

- Recently, the Veteran Services Director left the County’s employment. This presents an opportunity to reconsider two components: staffing and location. The movement within the broadly defined county community services profession is to find a business model that offers an integrated, comprehensive, client focused delivery system. It is reflected in both statistics and conversations that the linkage between veteran services and other traditional human services is becoming increasingly important and essential.
  - There are opportunities to consider the relocation of the VSO and to ensure that the integration of veterans with other services is a priority.

- The operations and administrative functions of Finance, Information Technology and Human Resources are critical to any organizational foundation. Presently the County has a Finance Director, an IT Manager, and an HR Specialist. The span of control in these areas is small and not all of these have to be managers in a traditional sense. There are implications, of course, but there may be opportunities to merge the support functions into an administrative team or a combined unit.
  - All three of these areas require a balance of technical, operational, and strategic capabilities. It might not be possible to obtain all three skill sets in three separate departments. The strategic capacity may be leveraged or gained by the synergy of all three together under one overall department.
  - Human Resources requires priority conversation in the County. Presently only the day to day work is getting done. The County Coordinator is assigned the responsibilities of “HR” but has not had the time to work on the many priorities that are needed in this area. There are many areas of improvement needed, including personnel policies, performance management, employee coaching and mentoring, leadership development, skill-based training, succession planning, etc.

- The Offices of Auditor-Treasurer, Recorder and Assessor conduct and perform statutory functions pursuant to Minnesota law. Within county government in Minnesota, these offices are rich in tradition and cultural history – often unique to each county. Today, with the onset of technology, fiscal constraints, customer service expectations and efforts to be more efficient, the organization and structure of these three offices within Minnesota counties is a hodge-podge of delivery systems and models. The 2011 Information Brief from the Minnesota House of Representatives outlines the many varied forms of organization and consolidations that have occurred over the years.
  - Without question there are opportunities to reorganize these traditional services. Counties across Minnesota have done it and are doing it today. These offices share functional relationships, provide “retail” services to the public, are transaction based, housed in the same building and are generally comparable in size.
  - There are clear hurdles, however, including tradition, past practice, legislation, citizen expectations and elected officials’ status.
Co-location is an important factor, but actual location is less so. The offices may be able to be co-located and introduce a service redesign without combining or consolidation.

Wabasha County can establish a vision for a long term organization and then develop a plan and strategy to achieve it.

One way to approach questions about structure are to ask relevant questions such as:

- Do we have the right plans and priorities?
- Do we have the right resources?
- Do we have the right people and skills?
- Do we have the right culture?
- Do we have the right span of control?
- Do we have the right outcomes?

By posing and answering these questions Wabasha County leaders will have a thoughtful, deliberate and meaningful discussion on how to modify and adapt the organizational chart to achieve your mission.
V. Opportunities for cross training

Cross training is a term that has become common in organizational vernacular. Yet it is also vastly misunderstood. The reason is simple – the concept is generally acceptable, but without a strategy and deliberate plan – cross training as a policy objective is neither sustainable nor measurable. Common questions include, what are we going to cross train for? How much will it cost? What are we trying to accomplish? What does it mean for my pay? Cross training is also limited by traditional structures, silos in organizations and decentralized facilities (distance).

The essential elements of cross training are for employees to learn new skills and share mutual responsibilities. Historically cross training has benefits for the managers as it provides more flexibility in managing the workforce and if done right, cross training is very good for the employees too. Cross training allows employees to learn new skills, advance their knowledge, feel more valuable, stretch their goals and even serve as a positive motivational tool.

One of the tug and pulls of an effective cross training program is the notion of specialized skills. Some positions require a certain amount of training, time and talent to succeed and it is almost impossible to duplicate or replicate that – effectively – with a cross training plan. Another primary consideration in any cross training strategy is – simply – time and resources. Both of these are needed in order for a cross training program to be realized. Cross training can become an effective workplace value that thrives in a positive culture.

Findings

The Wabasha County Board is supportive of the concept and seeks to realize a more effective cross training program. Some ideas and suggestions for consideration.

- Ask your staff what they think. Identify ideas and opportunities that they may be seeking – especially those that are unknown today.
- Create professional development plans. This area requires a stronger human resources function, but these plans identify professional goals and can link county needs with county staff professional and personal objectives. Thus you have the beginning of a cross training plan.
- Cross training can be an effective implementation strategy in reorganizations. More discussion on this topic is included in other sections.
- Cross training can occur in areas that share common skills, such as in the Finance area – the County has a decentralized finance structure.
- Cross training is also possible in the support staff area. Identify routine functions such as mail and clerical duties that are common to other offices. Although training and technical skills may be unique and learned, the basic elements of support can be replicated on a time-limited basis if needed.
- Cross training is essential in areas that do not have a back-up. It is prudent for the County to identify those singular positions that if something would happen to the employee, the risk or liability is problematic or high. The beginning point of this idea is to do a position inventory and identify these positions.
- Cross training has occurred in areas where employees share a common certification – for example in truck driving or snow plowing.
VI. A physical assessment and/or space analysis of our work environment(s) to gain efficiencies

A facility and space planner was retained to provide the physical assessment and analysis to determine if there are any possibilities to gain efficiencies. For the purpose of the Findings the following information is provided.

**Highway Building:**
- Building was moved there in 1988.
- 4,000 square feet.
- Fair condition due to most components of the building being 24 years old (except the roof).
- No handicapped accessibility.
- $0.64/sf/year energy cost.
- Offices include the Highway staff only.
- Some excess space exists in the lower level that could be useful for county wide storage.

**Criminal Justice Center:**
- Building opened in 2010.
- 88,000 square feet.
- Excellent condition.
- Fully handicapped accessible.
- $2.32/sf/year energy cost.
- Offices include the Jail, Sheriff’s Administration, 911 Center, County Attorney, Probation, Court Administration, Court Rooms, Judges Chambers, Veteran Services Office, and Community Room.
- Some expansion space is allocated within each of the departments currently in the building.

**County Services Building:**
- Constructed in 1997 (with minor remodeling since then).
- 13,200 square feet.
- Good condition.
- Fully handicapped accessible.
- $1.06/sf/year energy cost.
- Offices include Social Service and Public Health.
- Security risks present due to public access into staff offices, exam and interview rooms.
Courthouse/Courthouse Annex:

- 14,000 square feet.
- Poor condition.
- On-grade handicapped access to Annex only.
- $2.66/sf/year energy cost.
- Offices include Recorder, Assessor, Auditor-Treasurer, Environmental Services, County Board Room, Extension, County Coordinator, Information Technology, Finance, Human Resources, and the Social Services Financial personnel.
- Upper level of Courthouse is unoccupied.
- Basement of Courthouse hosts campus boiler, pumps, electrical and data infrastructure.

Findings

- With minimal remodeling costs and loss of expansion space, enough excess space exists in the CJC to allow the occupants of the Courthouse to relocate to the CJC.
- With moderate remodeling costs and loss of expansion space, the CJC could accommodate the current occupants of both the Courthouse and Annex.
- A major heating, cooling, electrical and data rerouting project would need to be undertaken to facilitate the demolition of the Courthouse.
Wabasha County has decentralized and distributed financial practices. The finance and accounting staff report through various departments including: Social Services, Public Works, Public Health, Auditor-Treasurer’s Office and Finance. Staff in other areas, such as the Sheriff’s Office, are also involved in billing and coding but on a more time-limited basis. The Auditor-Treasurer and Finance Department share overall responsibilities and accountabilities for the financial functions, and like the other departments, work together, but operate structurally autonomous of each other.

This historical practice has proven to work, but the County is interested in exploring a centralized business model. Reasons for creating a centralized business model include: 1) streamlining financial accountabilities; 2) providing backup and support for all financial duties; 3) seeking maximum efficiencies in the deployment of limited staff resources; and 4) generating greater capacity to focus on more strategic work. The concept of cross-training is reflected in the rationale noted above.

Accounting functions need consistency, common vision and organized direction across and between all units and departments. Traditional checks and balances are evolving and changing with technology and more thorough auditing procedures. It is advisable to have one common vision and a consistent direction for all accounting, billing and financial reporting processes and requirements. There are different ways to accomplish this vision, centralizing the function is the most direct and most distinct way.

One of the questions that has to be asked in this discussion is the office location of the staff; this is an important consideration. Centralizing does not necessarily mean that the staff is relocated to one office; it certainly can be done and is often done that way, but a deliberate conversation about the pros and cons of moving the staff needs to be held with each department. If staff is moved, then processes, communication and historical practices need to be adjusted and changed.

**Findings**

The Findings in this section include.

- Wabasha County first considered a centralized finance model in 2005, but it did not go forward.
- Creating a centralized finance model can work in the County but it needs to be implemented and managed. An action to centralize finance would be viewed as an opportunity for the future as opposed to an action to solve a problem or fix a broken system.
  - It is not as easy as relocating staff; there are existing processes and practices that need to be adjusted and changed. Strong communication and coordination methods must be considered in a new model.
  - Are there opportunities to improve coordination and integration with information technology?
  - It is important to identify a champion who can shepherd the changes forward in a positive and productive manner.
  - Presently there is no back-up for the finance staff at the Highway Department.
- A centralized finance model may allow the department leadership to focus on more strategic work such as policy development, capital improvement planning and longer term strategic budgeting. Like much of Wabasha County today, the present structure only allows for limited strategic work.
The skill sets and interests of each of the individuals supporting the financial system also vary. Rather than look at how one department conducts its financial work, the County should look at all of the staff collectively and determine how best to utilize the resources.

- What is the collective staff skill set in accounting, budgeting and finance; where are your strengths, where are you redundant, and where are your weaknesses?
- What level of interaction and communication takes place today between units and individuals responsible for the financial work?

Auditor-Treasurer’s Office is responsible for payroll records, final payroll, W-2’s, issuing checks, receipts and bank reconciliation. The Finance Office is responsible for budgeting, financial reporting, capital assets, audit, preparation of financial statements, and investments. The other departments’ financial staff are generally responsible for billing, reporting, coding, grant accounting and payroll processing.

- An Accounts Payable position resides in the Auditor-Treasurer’s Office. That person is used to support the valuable work done in that office, but there are opportunities to consider relocating the function to the Finance Department.

The financial staff from Social Services is already physically separate and are located close to the Finance Department.

A good question to ask in a discussion of the finance model is to determine what opportunities exist for the County to enhance its overall financial operation and controls? Some questions to ask include:

- One method is through effective policies. Interviewees noted that the County’s financial policies are in place, but are in need of organizing and updating.
- What is the status of the existing financial software in use across each department and what is its useful life?
- What are the state’s plans for its systems that the Social Services and Public Health departments need to perform their job?
- How is purchasing completed within the County; are there efficiencies that can be gained from centralizing that function?
- Are there trends in the management letter that can be acted on to enhance and improve the financial work and time spent on the audit?
Information technology is the life-line of organizations. With limited exceptions the entire function of county government is based on a strong information technology architecture and foundation (hardware and software). A second and just as important consideration is the inherent capacity for information technology resources to be applied, maintained and sustained within the organization.

Information technology is a complicated and difficult environment. The network, systems and applications are technologically based and require an understanding of how they operate and how they are applied. This is no small task, especially for policy makers and “taxpayers” who wonder about the value of an investment that they can’t see, feel or touch easily.

Information technology needs to be seen as the modern version of *infrastructure*. We make great investments in our roads to move people and protect public safety; we are now making investments in our cables and fiber optics to move data, information and now, more than ever, our commerce. The future of some aspects of public service is conducting business and transactions on-line. This is a consideration for Wabasha County moving forward.

The results of the interviews suggest that the day-to-day technology needs of the staff are challenged, but met by the work of two IT personnel. The priority of the staff is to “keep the network running, services going and address immediate issues.” During the course of the study a new IT staff person was hired, so it is difficult to understand the impact on IT resources and possibilities (as of now). There is no question that a second IT staff person will be a valuable addition to the workforce.

**Findings**

The foundation of Information Technology in Wabasha County needs improvement – this is not a reflection on the performance or capabilities of the staff as much as it is an observation on the opportunities that need to be considered.

- Not unlike other small IT departments, Wabasha County operates with very few formal protocols or processes.
- The office space of the IT staff is in the basement in old, antiquated surroundings which are not conducive to a respectful and professional environment. Perception and appearance matter and there is room for improvement.
- The level of staff resources is a concern, but needs to be re-evaluated in six months to see how the second person has impacted the work of the department.
  - Presently there is no budget for training in IT. This may be a short term budget fix but it is a long term detriment.
  - Comments from interviewees ranged from the “staff is doing a great job, they are just running hard with unrealistic expectations,” “this is not a criticism of IT, they are just under a lot of pressure and don’t have the resources or time” to “we are 10 years behind in our IT needs”.

VIII. Assessment of our IT resources and identify opportunities for improved leverage and support
• The department runs day to day and lacks time for strategic planning.
  o An IT Governance Committee is in place, but it does not have primary responsibility for identifying and developing an IT strategic direction.

• There is a need to prepare an Information Technology Plan for the next five years.
  o Develop and identify a capital improvement plan for the replacement of PC’s, servers and other mission critical applications.

• A security audit will identify areas of risk and vulnerability.

• Policies are needed to help guide and lead the use of IT in the County.
  o Testimony indicated that there are no operating policies in place; the Computer Use Policy was last adopted in 2006.

• Part-time or contracted staff may be able to assist with one time or on-going tasks.

• Reach out or partner with other counties (or agencies) to see if they can provide any support or assistance.

• Another important consideration to improve and enhance the efficiency of county business is to allow for remote access to the County’s networks.
  o Planning and some programming of remote access is available, but not widespread or ready for broader usage.

It is difficult to offer new ideas and opportunities to improve leverage and support when there is so much work to do in this area. However, several that have been identified by the IT and other department staff include:

• Electronic document imaging – there may be an opportunity to partner with Winona County.
• Mobile workforce strategy – this will impact the workplace in both efficiency and space.
• Develop a schedule for PC replacement – presently it is on a complaint or emergency basis.
• Explore the implementation of an on-line time card system.

Today, IT resources are a zero sum game. If you take away from one activity to do another, then that activity does not get done. For Wabasha County, it is a fundamental question of priorities. Much more is needed and can be accomplished, but it will not happen without an investment in staff and equipment.

One of the most important considerations a county government can make is the level of interest in and support for information technology. Too often – in large measure because it is not understood and difficult to gauge return on investment over the short term – IT resources are reduced or limited. At times, this step may be required, but it is advisable to make strategic investment in IT resources as it will pay dividends in employee efficiency, customer service, access to information, availability of services and overall workplace productivity.
This section asks to identify and recommend potential efficiencies. Before any ideas can be recommended it is important to reflect on the Findings from the interviews and discussions.

There are many different ways to identify and implement efficiencies in an organization. Wabasha County is already doing this by virtue of your budget choices and decisions. Although there are always areas to improve, by all measures the County operates in a lean environment and is meeting minimum standards, mandates, and community expectations. Although performance indicators can reflect different outcomes, no one testified that the County is excessive in their service levels. Furthermore, testimony indicated and experience suggests that the County does not have a lot of duplication of services. This is proven by three points: 1.) Board and staff input; 2.) diversity in the county business lines; and 3.) the small size of the staff. There simply is not much overlap or redundancy; if there was it would have been removed or eliminated over the past few years.

Findings

There are two ways to introduce efficiencies into a workplace – short term and long term. Throughout this study and incorporated within each section are Findings, which if pursued, will drive efficiencies and effectiveness. In these instances the ROI is not immediate, but longer term. Examples of these include:

- Facility and space investments;
  - Recently the County Board was presented with a proposal to eliminate one highway shop; the decision was to keep the shop open.
- County-wide information technology investments;
- Changes to the organizational structure;
- Employee engagement and communication; and
- Strategic planning.

What is ironic is that efficiency gains in the long term ideas generally – but not always – exceed the value of the immediate or shorter term actions. This is due, in part, to the order of magnitude and scope of the action.

There are also short term efficiencies that can benefit the County. In order to drive these out we asked the staff and County Board to identify possibilities. The results of the first person conversations include four key areas:

- Equipment and tools;
  - Sharing between departments
  - Use of motor pool
  - Fuel system accounting
- Evaluation of county processes to introduce a lean concept;
  - There are a variety of resources available to help the County open this discussion.
• Evaluation of county policies to eliminate unnecessary steps and processes; and
  o Look for steps that require too much time; reports that are not read, and requirements that are not needed.

• Information technology.
  o Electronic documents for sharing, storing and securing data (moving in that direction now)
  o Remote access to the network
     Public Health talked about being able to download information from home that is collected on a client site, versus having to go to the office to download the data.
  o Telecommuting
  o Electronic time reporting
  o Use of mobile and hand-held devices
  o On-line tax inquiry system
  o Website improvements

In addition, the May 2011 Board process that created a report entitled “Wabasha County Strategic Planning Sessions” contains 2½ pages of ideas and suggestions. The status of these discussions and ideas/proposals is requested. Our process purposely did not intend to replicate, substantiate or eliminate any of the items in the May 2011 Report. For an organization the size of Wabasha County, there are a lot of ideas that would need consideration, prioritization and ultimately action if taken. (Note: some of the concepts and specific ideas from the May Report are reflected in other sections or referred to in the body of the Findings, but the list is not duplicated in this section for obvious reasons.)

Feedback and reaction to this list is encouraged as part of the response to the Findings. Secondly, are there other areas of efficiencies that need to be identified?
County governments across the country, but especially in Minnesota, are addressing a multitude of complex challenges including identifying efficient and effective delivery systems, meeting citizen expectations, and sustaining and maintaining mandated programs and services. This scenario is under the backdrop of an uncertain and unstable financial future. Although there is some reason for optimism as state and national economic indicators are pointing upward, the economic trends will not impact or influence Wabasha County leaders within the short term. There is no quick fix and the state and federal government are not the answer.

It is commonly understood that local governments cannot continue to perform operations and business practices in the traditional methods. Our experience shows that local governments of all shapes and sizes, are asking tough questions and delving into issues and business practices that have previously never been raised or seriously considered. Raising these questions and probing into historical business practices is not easy on the elected leaders and professional staff. There is no more proof than this in the desire and ability to coordinate, cooperate and consolidate services with other jurisdictions and entities.

Findings

To develop the findings for this section of the assessment we contacted neighboring county administrators, as well as city administrators and school district superintendents. It was important for us to understand the existing conditions and environment. I learned several important facts that are relevant for your consideration.

- There are already conversations and discussions underway with other counties in areas such as public works and engineering, social services, child support, income maintenance, public safety, survey, 4-H, and Geographic Information Systems (GIS). These conversations are with varying counties and at varying levels of interaction.
  - The SE Minnesota County Human Services Redesign with 12 counties is not moving forward, but other follow-up conversations are underway, but described today as just getting started.

- Wabasha County is in a unique position where you have conversations going on with at least four other counties. This is both a positive and a strategy that needs to be fully understood.
  - It is advisable to conduct an inventory of what is on-going today so the County Board can obtain a comprehensive perspective on what is happening.
  - In almost all circumstances staff should be encouraged to continue open dialogue and discussions with their peers in other counties.
  - Information technology is one prime area that may benefit from partnerships with other counties, local cities or school districts.
  - Historically ideas for partnership arise from services that are commonly used by each identity, such as: snow plowing, grass cutting, building maintenance, purchasing, etc.

- In one community there is an ongoing monthly meeting between county, city and school leaders. Along with opening lines of communication these discussions focus on joint projects, sharing resources and other collaborative efforts. This is a good idea in all Commissioner Districts and communities.
• An idea to merge the Wabasha County Sheriff’s Department with the City of Wabasha Police Department did not go forward.

• Wabasha County staff are respected and considered open to stronger coordination and cooperation with other entities.

• The act of *consolidating* county services is a strong statement and significant policy objective.
  o In all likelihood, the consolidation of any county service can only happen on an incremental basis.
  o Before any discussions can be initiated with outside entities, it is advisable to have a thorough and inclusive internal discussion about your goals and objectives first.

• Cooperation can be accomplished at the staff level; consolidation needs to be driven at the Board level.
  o The County Board must take the lead to create an environment that is desirable and inviting for other Board’s and elected officials to want to partner with you. The Board’s present situation causes other entities to pause about entering into serious discussions about long term partnerships and collaborations.
  o Seek to find small wins first and build a positive and strong foundation and relationship with others. “Bold solutions start with small steps.”
  o The County can take the lead to organize a meeting of county officials to discuss collaboration in service delivery. It could launch existing ideas or identify new opportunities.

• The Minnesota Office of Legislative Auditor prepared a White Paper in April 2012 that serves as a guide and resource for consolidations of local governments.

• Getting started to move a strategic commitment forward takes time and commitment. There are a variety of ways to proceed; the overriding theme in all respects is personal relationships. As you look across the table, can you “trust” the motives and intent of the person you are dealing with.
XI. Perspective on the Findings

Wabasha County retained the services of Springsted, to learn about, evaluate and make recommendations on nine different topics. The role of a consultant is to bring an objective, balanced, experienced, outside set of eyes and ears and insights into an organization. By virtue of our comprehensive process we have learned an extensive amount of information on the County. This provides us with a perspective that needs to be shared at the Findings stage and before the Report is drafted. This provides county officials with an opportunity to review and reflect upon this perspective.

Each and every organizational assessment is unique and distinct. There are clearly no two organizations alike, even if they are responsible for the same basic set of programs and services (county-county; city-city, etc.). In Minnesota, county governments provide a myriad of important services to the citizens and clients. The services themselves are not that distinct between counties, but the people, processes, policy, and potential between each county varies dramatically. That is what I found in Wabasha County.

The information on the Findings in this document is extensive. Nine topics for a small organization can be hard to process, prioritize and plan for. A fair question is, “Where do we start?” or “How can we get our arms around the many needs and possibilities we have?” These questions will ultimately be answered by the County Board, but based on the research, we are in a position to reflect upon these in the Findings document.

To close this document we offer the County Board, county staff and Wabasha County community a brief perspective. Although this stops short of a recommendation, which we have done throughout the document, it may come as close to any point made about what are the most important considerations to pursue first and foremost. Four ideas and opportunities are identified and they are very interconnected.

- **Board governance, roles and relationships.** This topic dominated all conversations and themes, more so than in any other organization that we have studied. This won’t be an easy conversation, but it must take center stage.
  - It is advisable for the County Board to adopt operating rules and guidelines that can serve as a starting point.

- **Form of government.** The change from the Administrator form to the Coordinator form is within the Board’s purview. This change has not come without confusion and uncertainty that remains to this day.
  - If the County Board wants to retain the Coordinator form of government than a series of immediate steps and actions are needed to ensure clear roles and accountabilities are established going forward.
  - It is advisable for the Board to reconsider its decision. A county administrator form of government provides a stronger foundation for the County, a more clear line of authority for the staff, and a designated person who can lead the organization in initiatives the County wants to pursue.

- **Working relationships.** It is not the consultant’s domain to enter into personal or political relationships. Yet it is our obligation to be professional, respectful, honest and insightful when these relationships impact the scope of services that were identified in the study. In Wabasha County that is clearly the case. History, tradition, politics, relationships, people and past practice are well formed. Yet, by anyone’s measure – today – they are not productive and are hurting the
County. This is not easy to say, nor do we take pleasure in mentioning it, but testimony was overwhelming in this regard; even individuals directly involved reflected this fact.

- It is advisable to begin a healing process. Trust has to be rebuilt and renewed; it is the number one organizational priority. Much of what you want to do in this study can be done in time if trust returns to the workforce.
- The scope of services asks for many different possibilities; imagine what is possible if the County Board leads an initiative to change its own culture to help the County achieve its mission, vision and values.

**Strategic planning and prioritization.** The County Board engaged in a strategic planning process in May of 2011. Rather than serving as a process and outcome to bring people together to create energy, synergy and direction, it became a point of contention and dispute. We make no value judgment on a process that we were not part of, but the outcome was opposite of what is generally desired or intended.

- An effective strategy planning process can help to prioritize study recommendations, begin to change management process, and introduce accountabilities and outcomes that are well established, clear and measurable.
- See page 15 for questions that can be posed in a strategic planning work session.

Measured progress and advancement toward these four topics will, in the end, serve the County best. The steps and ideas in the other Findings, will come in due time and as needed.