

Successful Shared Services

How to Get the Most from Your Partnerships



By Marianne Smith
Township Manager, Hardyston

In these difficult economic times, governments, like private sector businesses, are maximizing productivity and thereby minimizing their costs by either doing the same amount of work with fewer people or taking on more work or customers using the same number of people.

The poor economy, coupled with significant cuts in state aid and other revenue sources, have set the stage for shared service discussions between and within communities. Municipally shared services promote efficiency and smart business practices, while preserving the identity and individuality of communities.

Hardyston Township, as a result of its participation in over 24 active shared service agreements, has become a skilled practitioner in this area. On a personal level, in addition to developing and managing inter-local services as Hardyston's manager, I had served as an inter-local employee for several years prior to serving as manager. So it would be fair to say the experience has given me a rather unique perspective.

While there are many considerations when considering sharing services, we believe that there are four essential keys to building long-term inter-local partnerships that are the foundation of our inter-local philosophy.



4 Essential Keys to Building Long-Term Inter-Local Partnerships:

Know your strengths and weaknesses. Sometimes you are the agency providing services and sometimes you seek a partner who can provide a service for you. For example, Hardyston Township's strengths are our construction office and public works services; so we are the lead agency with multiple towns in those areas. However, Franklin Borough has strengths in tax collection and finance, so they have been the lead agency in those agreements for many years. Similarly, we did not have a computer technician on staff, but the Hardyston School did, so we share their employee and the school serves as the lead agency. You don't have to be an expert in everything. Identify and accept both your strengths and weaknesses.

Communicate with and respect your partners, residents of all the communities involved and inter-local employees. Understanding your partner community's culture, needs, expectations and concerns, encouraging community leaders to have a level of ownership of the joint department, and good communication to all residents about the change is essential to success. Carefully consider your existing staff's maximum potential for productivity, and involve them in the development of a new or expanded inter-local department. This will provide a sense of ownership and pride in the inter-local relationship. Unrealistic expectations of unachievable levels of productivity of the proposed inter-local staff will only serve to doom the arrangement. Reaching levels of maximum efficiency and productivity to achieve maximum financial savings without burning out inter-local employees is essential to success over the long-term.

Keep it simple. Use what you have collectively and avoid the trap of feeling like one town is usurping the other. The purpose of the arrangement is for cost efficiency and production of the highest level of service. A case in point would be Hardyston providing public works services to Sussex Borough. Hardyston employees will be using trucks owned by the borough that will still say "Sussex Borough" on them, and we will be storing Hardyston trucks (currently outside in the ele-

ments) in a public works garage that says "Sussex Borough" on it, but has plenty of empty space. Similarly Sussex residents will benefit from having their fields maintained with more extensive maintenance equipment owned by Hardyston. It's not about giving things up, it is about sharing.

Share your good fortune. The initial agreement represents a huge success, but maintaining inter-local relationships requires continued communication and understanding of each other's communities. Also keep in mind fairness and the need for mutual benefit relative to level of service and financial efficiency. For example, if the overall unit price of service should be reduced as a result of the expansion of the department by servicing additional municipalities, all existing partners should receive a financial benefit as a result, not just the "lead" or sponsor municipality. Similar to a business model, you cannot solely focus on attracting new business; you also have to retain your existing business or partners. You have to be a team at the beginning,

as well as throughout the life of the inter-local department's existence.

I equate sharing services to the childhood tale "Stone Soup." As you will remember, the citizens of the town were poor and had no food to speak of, but one by one each family brought what little they had, whether it was a potato or carrot, etc., and put it in the pot with the "stone" and before long together they had a delicious soup for all to share.

Municipalities are faced with similar circumstances, but when each town brings to the table its strengths and are open to the discussion of how we can all help each other, some pretty interesting things can happen. Sharing services with your neighboring municipalities can lead to significant financial savings and higher levels of efficiency. Sharing offers communities and their residents a sense of empowerment through the retention of identity, purpose and pride as the result of doing something collaborative and progressive. ▲

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