

The

CORNERSTONE

FIRE AND EMERGENCY SERVICES

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**Facing Tough Times?
How to Guide the Community Toward Informed Decision-Making****By: Stewart W. Gary, MPA, Principal**

Nationally, economic news is discouraging across the board. The problem is not simply one of “not enough revenue,” but one of systemic imbalances. Weak and eroding revenue sources are on a collision course with increasing costs of doing business.

In this challenging environment, are your stakeholders – both above and below you – prepared not just to weather the storm, but also to come out of it changed for the better? Are your elected officials or Board of Directors armed with the facts about fiscal, operational and demographic challenges and

prepared with a solution roadmap to navigate toward stability and improvement? Can they explain to taxpayers, investors and rate-payers why revenue and/or operational re-tooling may be necessary?

Do your employees understand the changing landscape from your organization’s perspective (not the national news media’s!)? Do they know their role in innovating or adapting to changing local situations?

If the answer to these questions is no, how can your leadership team expect to successfully sell changes to revenue methods or operations? To get buy-in, you have to educate your stakeholders with accurate information that is derived from planning your desired future state on the other side of the storm.

In tough times, planning is also a good way to give people hope. No one wants to be on a rudderless ship adrift in the storm. Stakeholders need leaders to say, “We are going this way for these reasons because they fit the facts facing us.”

Harsh Reality

There are permanent socioeconomic changes occurring in many communities. For exam-

ple, many small suburban and rural fire and EMS agencies are losing volunteers because of changing socioeconomics and increasing training standards. It is easy for an elected official to say, “Just go out and get new volunteers,” when the community may have changed to more affluent, second-home owners. However, these new residents are typically older, not as physically able, and not present all the time. In other communities, the younger population is driving farther to jobs, and in two-income families, parents may not have time to volunteer.

I have seen communities desire to increase service levels to compete with their neighbors because, “They have that level of service, so we should, too.” Or newer residents come to your service area and demand the level of service they had in their old neighborhoods without understanding the cost and service delivery differences.

In all of these situations, you must remind people of the most basic axiom of planning service delivery: Communities have the level of service that they can afford, not the level they desire.

Some communities can double or triple the cost per capita or

per parcel for fire and EMS, yet not reach high quality service outcome levels, because they just don't have a broad revenue base. You can't tax or bill a few thousand units and gain the revenue of what tens of thousands of revenue units could provide. Some private EMS organizations could double fees yet never have the transport quantity or payer mix to radically improve service levels.

Emergency services leaders have to understand harsh realities. You have to frame your community's discussion of its fire and EMS services around realistic expectations. In other words, remind your stakeholders of the question, "What level of service can we afford to have?"

Steps to Take

Begin educating your community leaders by explaining the facts framing the problem: declining revenue, shrinking volunteer pool, etc. Next, ask for input on possible options and directions. Once initial reactions and opinions are heard at the leadership level, then more detailed planning can flesh out the best cost/option mix. With initial plans in hand, brief key stakeholders, and with their input, draft a proposed solution to share with the community.

After listening to the community's perceptions and inputs, elected officials or a Board of Directors can ask for formal support for a change in revenue or operational direction, or acceptance that the current deliv-

ery system has very real limitations. Even if the planning outcome is the understanding that the status quo continues or service reductions have to occur, your community leaders made an informed "purchase" decision, which is what they were elected or appointed to do.

When this type of dialogue has occurred, you have done your job as a leader. Employees and clients may not be happy, but they will at least have an understanding that a rational analysis and discussion has occurred and that an informed decision was made that reflects the community's ability to pay.

Do the above steps sound a lot like "classic" strategic planning? You bet they do! However, the steps can be done partially, quickly and to fit the need. Planning does not have to be ponderous. In my next article, we will work through fast cycle planning that can get to integrated action and contingency plans that really can be implemented. The result is an organizational mindset with an ability to do fast tempo planning, which enables a changeable culture.

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