

## O'Malley installing StateStat

### *Statistics-based management is coming to Md. government*

By Justin Fenton  
Sun reporter  
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StateStat -- a variation of the acclaimed, statistics-based government management program that Gov. Martin O'Malley developed while mayor -- is coming with him to Annapolis, and with it, the sort of biweekly meetings that subjected Baltimore officials to stiff questioning over everything from rising overtime pay to unfilled potholes.

Public policy experts and officials across the country have called O'Malley's development of CitiStat a shining example of government efficiency realized; workers have compared it to facing the Spanish Inquisition.

"Our new secretaries will be given a crash course at the next Cabinet meeting," O'Malley said with a wink.

But implementing the program on the state level will be no easy task. For starters, Baltimore's \$2.4 billion budget and 15,000 employees pale in comparison to the \$30 billion budget that O'Malley now oversees along with a state work force that is 80,000 strong.

And O'Malley plans to expand the program's reach to tackle one of the state's biggest challenges: restoration of the Chesapeake Bay. Officials from agencies with responsibility for the estuary will plug in relevant statistics -- such as water-quality numbers -- under a program called BayStat.

Maryland legislators have asked during recent hearings whether CitiStat can be stretched to accommodate new demands on a statewide level. Del. Talmadge Branch, the majority whip from Baltimore, observed that CitiStat was very much oriented toward the delivery of services. And it has hardly been a cure-all for some of the more intractable problems facing Baltimore -- the city's homicide rate remains among the highest in the

country, and its schools continue to struggle.

Matthew D. Gallagher, 35, who oversaw CitiStat and will oversee StateStat as O'Malley's deputy chief of staff, says that moving the city-oriented program to a larger stage makes sense.

"Really, anything a government does, you need to work pretty hard to quantify, and it's with that information that you hope to make better decisions," Gallagher said. "It's hard for me to say there's really anything that falls outside the scope of being able to apply some management science to quantify what people do."

Compared with the cost of launching StateStat, the payoff from the program could be significant, administration officials say. O'Malley has budgeted \$361,000 this year for salaries, supplies and start-up expenses, and expects to run the operation with a bare-bones staff of four. The program is expected to cost about the same for the next five years, rising to \$389,000 in the 2012 fiscal year.

Since the late 1990s, the state has been using a distant relative of StateStat, called Managing For Results, which helps agencies set goals and measure benchmarks from year to year.

It's a good idea, Gallagher said, but one that does not come close to the intensity of CitiStat.

CitiStat was adapted from the crime-mapping Compstat program pioneered in New York City. O'Malley applied the concept to urban issues such as vacant housing, drug treatment and trash collection.

In a former curator's loft in Baltimore's City Hall, his staff constructed a futuristic conference room complete with huge projection screens that danced with freshly updated charts and maps. Officials would explain and interpret data, and were sometimes grilled if the answers did not match up.

Lt. Gov. Anthony G. Brown remembers the first time he toured Baltimore's CitiStat nerve center.

"I felt as if I was in a division command head-

quarters in the U.S. Army, looking at deployment of assets, troops, equipment," said Brown, an Army Reserve captain who spent time in Iraq.

The results were tangible: During a three-month trial period, overtime in the Public Works Department dropped by 25 percent and unscheduled leave fell by more than 33 percent.

While critics wondered whether the meetings were just a showy and time-consuming way of managing, the accolades started rolling in. Officials from King County, Wash., to Nicaragua have requested demonstrations, and dozens of municipalities implemented the program. In 2004, CitiStat won an award for innovative government from the John F. Kennedy School of Government at Harvard University.

"Martin O'Malley was not the first to use a computer to keep information but the first to gather and use it systematically," said Charles Euchner, a writer and former director of the Rappaport Institute for Greater Boston at the Kennedy School. "In order to really understand the elements of a goal, you need the information. Data needs to drive everything, to determine what goals are in fact reachable."

One of the main architects of CitiStat -- O'Malley's brother, Peter -- will not be involved in launching StateStat, aides to the governor said. In recent years, Peter O'Malley sought to spread the concept worldwide, setting up a private company, GovStat, in 2002, and attracting clients such as the city of Miami. In December, he was hired as chief of staff to Baltimore County Executive James T. Smith Jr.

CitiStat is less a schedule of meetings than a new way of thinking for the public sector, something drilled into analysts from the beginning. As part of their training, they are required to read Moneyball, a 2003 book that showcased a movement in professional baseball toward data-driven scouting and player management, and to watch the film Patton, depicting the World War II general whose men and tanks plowed through obstacles. Staff members are given digital cameras with which to document problems that need to be remedied -- at least those, such as unfilled potholes, that can be photographed.

StateStat's first targets are some of Maryland's



Like CitiStat, the statistics-based government management program he oversaw in Baltimore, StateStat will enable analysts to identify problems and deal with them more quickly, says Matthew D. Gallagher. (Sun photo by Barbara Haddock Taylor / February 9, 2007)

more troubled agencies: corrections, juvenile services and human resources, which oversees child welfare, among other programs. Gallagher's staff is still figuring out how best to measure performance, but said the governor believes the programs are ripe to be split open and examined on a regular basis.

How can Microsoft Excel spreadsheets chock full of data about the state's jails help improve conditions? Gallagher said the constant monitoring has helped analysts identify trends and problems that might not have jumped out otherwise. Problems can be identified faster and fixed more quickly, saving taxpayers thousands of dollars.

As with CitiStat, O'Malley plans to participate in StateStat meetings. On at least one occasion in Baltimore, O'Malley picked up a phone during a meeting and used a pseudonym to test the response of the city's 311 service for nonemergency problems.

"A lot of these agencies, they'll be very unaccustomed to this level of disclosure and interaction with the executive," Gallagher said.

Brown said his subcabinet, which is to coordinate the state's response to growth associated with the U.S. military's Base Realignment and Closure process, will evolve into something akin to a "BRACStat."

"I've asked departments to begin thinking about different metrics we ought to use to measure progress in terms of BRAC activity," he said. "That will evolve over time."