## GRADING THE STATES



Washington has been a consistent leader in results-based governance. It was ahead of nearly all other states in controlling spending by keeping track of where investments were and were not paying off.

Under Governor Christine Gregoire, Washington's government has, if anything, moved further ahead on this front. Upon taking office, Gregoire instituted a Government Management Accountability and Performance program, or GMAP, which emphasizes periodic public forums during which key players on particular issues come together to problem-solve and report results to the governor and her leadership team. Participants walk away with well-formulated plans, due dates—and often commitments from the governor in exchange for vows for tangible improvements.

All of this has been helpful to Gregoire in negotiating with the legislature over major programs. "Everyone's got pent-up demand," says Wolfgang Opitz, deputy director of the Office of Financial Management, "but she's able to go to the legislature and say 'Here's the payoff in clear terms.'" Meanwhile, the governor and other key staff are communicating results to the citizens in a more complete way than has been the case in the past. The effort includes a regular schedule of town hall meetings and workshops that take place all over the state.

The GMAP mentality has filtered throughout the bureaucracy and is being put to good internal use by many agencies. Offices such as the Department of Personnel are adapting the concept to meet their particular challenges. Statewide monitoring of human resources indicators, including time-to-hire and turnover, is being used to make the state more competitive as an employer in a tight labor market. "Having that tool has been tremendous for me to look across the board at where we are as an employer," says Eva Santos, director of the Department of Personnel.

In a six-month period, aggressive statewide tracking of performance appraisals helped realize a 20 percent increase in the number of employees with up-to-date evaluations. Many agencies used the data to identify and root out sick-leave abuse. And agencies that demonstrate a high level of competency in managing employee performance now are allowed to use this information when making decisions about compensation or layoffs. The rigorous Human Resources Management Confirmation Process ensures that managers take employee performance issues seriously before linking them to rewards.

Bottom line: No state in the nation is better at developing and sharing information than Washington. That doesn't mean it isn't trying to expand its definition of excellence. A case in point is that the governor is pushing for more easily accessible financial data. "Even if I can figure out the right question to ask, I am all too often having them scramble to manually construct the data," she says.

Why? The state's financial information system has some flaws. It doesn't allow for activity-based accounting or costing, and in areas where relatively sophisticated data are available, that data can't always be shared seamlessly across the enterprise because of the decentralized approach the state takes to IT management. The state is slowly addressing these issues as it works toward replacing its remaining legacy computer systems, but any additional speed in this effort would be a boon. "If the accounting data were there, I could get them analyzing instead of compiling and dissecting," says Opitz.

One financial challenge was addressed in 2007 when the legislature approved a constitutionally based rainy day fund for the first time in the state's history. The fund only mandates that 1 percent of general fund revenues will be set aside—a relatively small amount. But it's still a significant step, because despite an exemplary revenue-estimating process, Washington continues to face challenges matching revenues and expenditures. The two-thirds majority required in the legislature to increase taxes has made it difficult for state leaders to raise the funds necessary for balance at times when revenue dips.

For additional data and analysis, go to pewcenteronthestates.org/gpp

Money	<b>A-</b>
Long-Term Outlook	
Budget Process	
Structural Balance	
Contracting/Purchasing	
Financial Controls/Reporting	
People	<b>A-</b>
Strategic Workforce Planning	
Hiring	•
Retaining Employees	
Training and Development	
Managing Employee	
Performance	•
Infrastructure	B+
mmastructure	Бт
Capital Planning	•
	•
Capital Planning	•
Capital Planning Project Monitoring	•
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Population (rank): 6,395,798 (14) Average per capita income (rank): \$27,346 (10) Total state spending (rank): \$33,914,746,000 (14) Spending per capita (rank): \$5,303 (24) Governor: Christine Gregoire (D) First elected: 11/2004 Senate: 49 members: 32 D, 17 R Term Limits: None House: 98 members: 63 D, 35 R Term Limits: None