

A- Utah

When John Nixon talks to audiences around the state of Utah, he says things such as, “Thank you for investing in my organization.” That wouldn’t be remarkable if he were a venture capitalist or a corporate CEO. What makes it notable is that he happens to be the director of the Governor’s Office of Planning and Budget. But that’s how public managers often talk in Utah: They act as if they have hundreds of thousands of cheerleaders all the way from Salt Lake City to Blanding, people who really would want to invest in something as mundane as a budget office.

Then again, there’s a lot to cheer about. Utah manages itself with savvy business acumen. Financial decisions are made wisely, with an eye toward return on investment and long-term performance in all facets of state government. True, it may be somewhat easier to manage in a state that is overwhelmingly controlled by one party, as Utah is by the Republicans. But the level of coordination between the governor’s office

Utah knows its maintenance needs—and budgets for them.

and the legislature goes beyond party loyalty. The two branches are tied into the same financial system, for example. Both can track state expenditures in real time. This doesn’t mean the branches always agree. But when they disagree, they’re using the same well-researched, carefully organized data.

Perhaps because they share information well, Utah’s decision makers can take some pretty decisive measures. Utah began calculating the long-term liability for its employees’ post-retirement health care—and putting money aside for it—at a time when other states were still blithely ignoring the growing bill. Similarly, when confronted with the challenges of a booming population and growing transportation needs, Utah authorized bonding \$1 billion for a Critical Highway Needs Fund.

Strong information-sharing would be fruitless if it didn’t lead to better implemen-

tation of services. Staffs from the human resources and technology departments are embedded in each state agency, helping to link resource support to agency goals and align the incentives for all stakeholders. Chief Information Officer J. Stephen Fletcher likes to make the point that his agency can’t really be considered successful unless all the agencies are successful.

The integrated Utah management system is not only good at helping the departments do their work—it’s good at spotting problems and dealing with them. Recently, a performance audit turned up hints of favoritism among managers in the Department of Corrections. That wasn’t good news, but it showed that Utah had the tools in place to uncover the situation. In many states, the top executive leadership wouldn’t even have known the problem existed.

Similarly, Utah has a good idea of what its infrastructure requires in the way of maintenance. And unlike most states, Utah actually budgets for it each year, to the tune of 1.1 percent of the total replacement value of state-owned buildings. Still, the dollars are short. Last year, Utah stopped tracking deferred maintenance on non-essential building decorations such as fresh paint and carpets—the list of big-ticket needs had become so long that it no longer made sense to tabulate the rest.

There are a few challenges on the personnel front. A hot economy has led to a “war for talent,” says Jeff Herring, the human resources director. The state takes this battle seriously, offering its new employees good benefits as well as discretionary bonuses and raises as rewards for accomplishment. The reorganized Department of Human Resources Management hopes to improve the connection between individual and agency goals via a new individual Utah Performance Management evaluation process. They’ll need to do this—and to evaluate every employee on a more regular basis—if they hope to take full advantage of the young talent willing to undertake careers in state government.

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

Money		A
Long-Term Outlook	●	
Budget Process	●	
Structural Balance	●	
Contracting/Purchasing	●	
Financial Controls/Reporting	●	
People		B+
Strategic Workforce Planning	●	
Hiring	●	
Retaining Employees	●	
Training and Development	●	
Managing Employee Performance	●	
Infrastructure		A
Capital Planning	●	
Project Monitoring	●	
Maintenance	●	
Internal Coordination	●	
Intergovernmental Coordination	●	
Information		A
Strategic Direction	●	
Budgeting for Performance	●	
Managing for Performance	●	
Performance Auditing & Evaluation	●	
Online Services & Information	●	
Population (rank): 2,550,063 (34)		
Average per capita income (rank): \$21,016 (43)		
Total state spending (rank): \$12,044,631,000 (35)		
Spending per capita (rank): \$4,723 (32)		
Governor: Jon Huntsman Jr. (R)		
First elected: 11/2004		
Senate: 29 members: 8 D, 21 R		
Term Limits: None		
House: 75 members: 20 D, 55 R		
Term Limits: None		