



Office of the Mayor
Richard M. Daley
Mayor

News Release

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**MAYOR DALEY ANNOUNCES MANAGEMENT IMPROVEMENTS AND
COST-CUTTING STEPS RECOMMENDED BY 21ST CENTURY COMMISSION**
Steps Can Save Millions of Dollars, Improve Delivery of Services

Mayor Richard M. Daley announced today the city will implement a series of steps recommended by his "21st Century Commission" aimed at better managing government and reducing spending.

Included among the proposals, which Daley said he has asked his senior staff to put in place, are: offering rewards to employees who generate ideas that improve services or generate new revenue; increasing the transparency and accountability of government by posting key performance measures online more frequently; further improvements to the city's MBE/WBE certification process; allowing some building owners to self-certify by submitting their own inspection documents for the City's review; merging functions in the human services area to eliminate duplication and provide more wholistic service; developing an integrated approach to job training and centralizing the management of the City's real estate to optimize its value.

"We believe that taken together, these steps will save millions of dollars in the years ahead. Equally important, they will improve services for the people of Chicago," Daley said in a news conference held at City Hall.

"We're taking these steps not because we're in a bad economy, even though that is what we are faced with. We are taking them as part of my commitment to better manage government and deliver services more efficiently day in and day out to protect our taxpayers," he said.

Daley established the "21st Century Commission" last fall to review the fundamental scope and structure of city government as it exists today and make recommendations for how to better manage it, provide the new or different services Chicagoans will demand in the decades ahead and do it all more efficiently to protect taxpayers.

Today's recommendations represent preliminary ideas, with more to follow in coming months.

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Daley pointed out that since he has been Mayor, city spending has been cut by more than \$2.5 billion and the savings re-invested in improving the neighborhoods and quality of life across Chicago.

Chicago has embraced new management practices, emerging technology and out-of-the-box thinking to deliver more efficiently the services that people demand and taxpayers support, the Mayor said.

“Just a month ago, we anticipated a downturn in city revenues because of the nation’s weakening economy, and cut spending by another \$20 million,” Daley said. “We cut non- personnel spending by 3% across the board, instituted a hiring freeze on non-safety personnel, limited non-safety overtime, reduced non- essential travel and encouraged managers to take a voluntary furlough day,” he said.

“Today’s steps are part of the goal I set early on of a government that is smaller in size and greater in performance,” he said.

The new steps to implemented are:

- Stepping up efforts to encourage and empower employees to generate new ideas, including ways to cut costs, improve services and generate new revenue.

Common in both the public and private sectors, thriving employee innovation systems are a low cost method of developing new approaches that can improve services or management processes, increase revenues or decrease expenditures, lead to significant efficiency gains and improve employee morale.

The employee innovation system will provide meaningful rewards to City employees, and will serve as the incentive for new thinking. Details about this program will be announced soon.

- Increasing the transparency and accountability of government by more frequent posting of key performance measures online.

This is an emerging best practice among cities around the nation and includes the publication of key efficiency, effectiveness, budget and performance measures. These measures include things such as response time to fulfill neighborhood service requests, customer satisfaction with certain City services and improving the timeliness of invoice payments.

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- Taking the necessary steps for our Minority and Women Business Enterprise Programs to move toward universal certification of applicants. In the meantime, we will work toward relying on certifications from other organizations such as the Women's Business Enterprise National Council, the National Minority Supplier Development Council, and the U.S. Small Business Administration, in an effort to help streamline our current certification process.

The ultimate goal of universal certification is to remove the city from the cumbersome process of certifying each business, a process which sometimes delays the ability of a company to participate in contracting.

The goal is to allow more companies to participate more quickly in the city's contracting process.

It builds on the city's effort to further reform the procurement system that the City Council addressed April 9 by passing Daley's proposal to use alternative contracting methods such as "design-build" and "construction management at risk" for construction projects in an effort to increase the participation of minority-owned firms on city-funded projects.

- Increasing the efficiency of building inspections by allowing some building owners to self-certify by submitting their own inspection documents for the City's review, provided they have met city standards for construction and safety and the owners understand there will be harsh consequences for failure to comply..

Currently, annual building inspections are conducted on-site regardless of the age or condition of the property. A document review and self-certification process for some buildings would allow the city to focus on higher-risk buildings in the city, where more significant problems might be uncovered and addressed.

- Improving the effectiveness of the services we provide to the people of our city by merging into one department the operations of the Departments of Human Services, the Office of Domestic Violence, and programs focused on Prisoner Re-Entry, Veterans' Assistance and the Ten Year Plan to End Homelessness.

Currently, there is considerable overlap among these departments and programs, and centralizing functions will allow the city to better direct and manage people's requests and deliver services more effectively.

This consolidation will help the City provide a more wholistic, client-centered approach to the services we provide to our most vulnerable residents.

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- Further, Daley said he has asked the 21st Century Commission staff to help develop an integrated approach to job training to assure the city is preparing its workforce for the jobs of the future.

“As we look down the road, areas such as transportation, the technology industry, the health care industry and the hospitality industry will need workers who are uniquely qualified to meet their demands,” he said.

To address these needs, the city has already undertaken the Chicago LEADS (Leading Economic Advancement, Development and Sustainability in the 21st Century) initiative, an effort to create an integrated skills training system for Chicago residents and area employers, one based on actual needs and job opportunities.

- Finally, Daley said he has asked the Commission members to help the city centralize the management of its real estate to optimize its value, a step that can potentially save the city millions of dollars a year.

“Today, the city has a \$1 billion real estate portfolio and we can do a better job managing all of our holdings and capital improvements.

I’ve asked the Commission to explore the idea of creating a centralized office of Real Estate Management that would allow us to make better strategic decisions about our range of real estate assets,” he said.

“Taken together, the steps we’re announcing today, will place Chicago in the forefront of implementing best practices drawn from both the public and private sectors. Through these steps, we’re improving the management of government, we’re cutting costs and operating more efficiently.

“And, we’re better at meeting the service needs and expectations that our people and taxpayers demand,” Daley said.

The 21st Century Commission is composed of 22 leaders from multiple sectors across the City and is led by co-chairs Sarah Pang, Senior Vice President for Corporate Communications, CNA, and Bennett J. Johnson III, Budget Director for the City of Chicago. Since its creation last fall, the Commission has met, in whole or in part, more than 35 times.

Co-Chairs:

- Sarah Pang, Senior Vice President, Corporate Communications, CNA
- Bennett J. Johnson III, Director, Office of Budget and Management, City of Chicago

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- Dr. Warrick L. Carter, President, Columbia College Chicago
- Gery Chico, Partner, Chico & Nunes, PC
- Janet Froetscher, President and CEO, United Way of Metropolitan Chicago
- Jeanne Gang, Principal and Founder, Studio Gang Architects
- Jack Hartman, President, The Rise Group
- Amy S. Hilliard, Founder/President and CEO, The ComfortCake Company, LLC
- Bill Kaplan, Co-founder and CEO, Senior Lifestyle Corporation
- Reverend Joseph Kyles, Founder and Pastor, Heirs of the Promise Church
- Dr. Stefanie Lenway, Dean, UIC College of Business Administration
- John Livingston, Managing Partner, McKinsey & Company
- Dr. Jo Ann Long, Founder and Senior Pastor, New Covenant Life Church
- Joseph A. DeLopez, Chief of Police, Winnetka, and former Deputy Superintendent, Chicago Police Dept.
- Lester McKeever, Managing Principal, Washington, Pittman & McKeever, LLC
- Lawrence Msall, President, The Civic Federation
- Juan Rangel, CEO, United Neighborhood Organization (UNO)
- Jacqueline Reed, President and CEO, Westside Health Authority
- Frank Spula, President, Polish National Alliance
- Jerry Stermer, President, Voices for Illinois Children
- Barbara Stewart, Senior Vice President, State and Local Government Relations, JP Morgan Chase
- Thomas Villanova, President, Chicago and Cook County Building and Construction Trades Council

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