

State of Local Government Survey 2022: People, Process, and Tech in the Public Sector



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Today, local government leaders are responsible for delivering on strategic priorities, developing new ways of working to meet the diverse and changing needs of their communities, and protecting against cyber and environmental risks that could disrupt critical business processes.

OpenGov's second annual State of Local Government Survey sheds light on where local governments are making strides around these challenges, but also exposes where there is still work to be done to more effectively meet the future needs of their communities.

Survey respondents represent 502 local governments, and over half occupy administrative and finance leadership roles. They lead communities with populations and budgets of all sizes, with 23% of respondents serving a population over 100,000 and 33% having a budget size over \$100 million.





Local governments have had important changes to the way they work in the past year.

A majority of respondents report that:



To meet the next series of challenges, and properly manage state and federal grants, local governments must move quickly to meet evolving needs and build a strategic vision for their community.

Read on for more about the state of technology, processes, and people in 2022 local government.

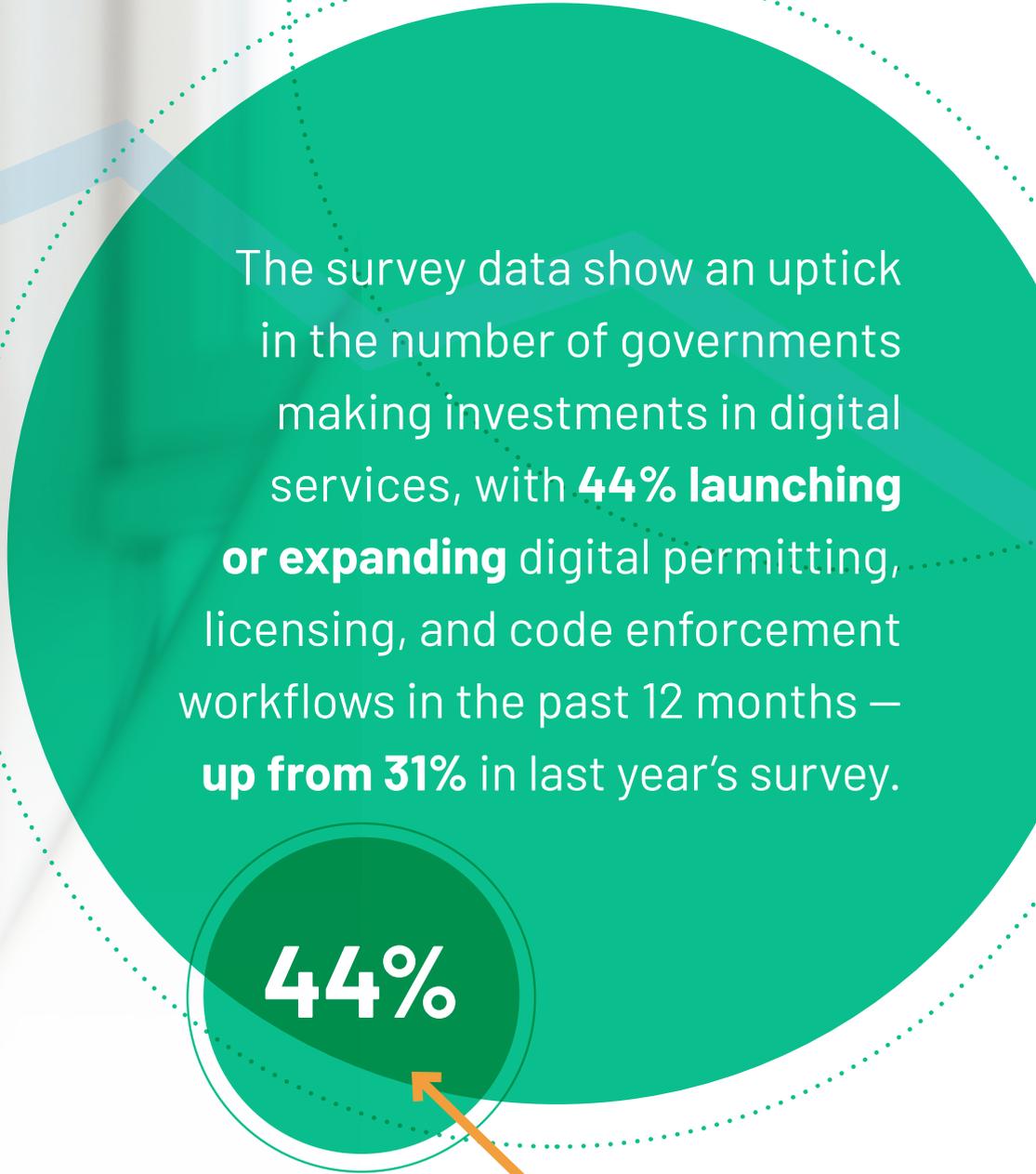
Tech

Shift to Digital Accelerates

Local governments' efforts to move more citizen services online has accelerated for the second year in a row, reflecting the growing demand from residents to submit forms, applications, and payments in a digital environment rather than in person.

Survey respondents note that there is room for improvement in tech adoption.

Over half of all survey respondents see digital services as the highest potential area for cross-departmental collaboration, and 61% say that processes have been “somewhat improved” or only “slightly improved.” More than one-quarter saw no change or worse performance in how their government served residents online.



The survey data show an uptick in the number of governments making investments in digital services, with **44% launching or expanding** digital permitting, licensing, and code enforcement workflows in the past 12 months – **up from 31%** in last year's survey.

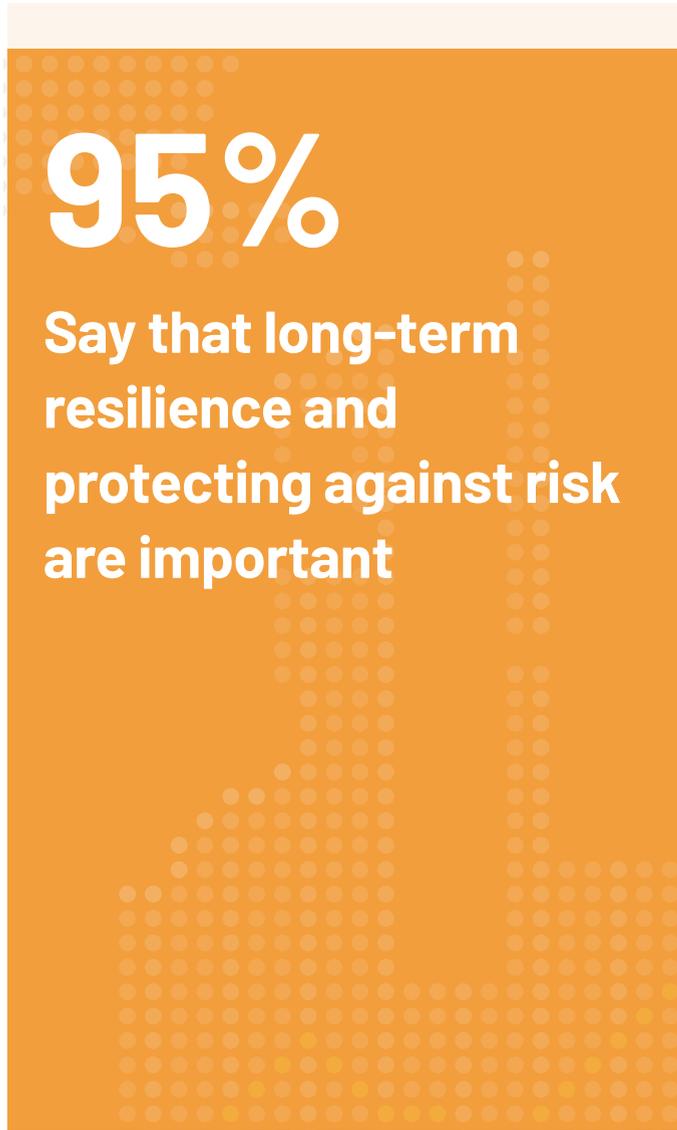
44%

31%

Local Governments Mind the Risk Gap

Cybersecurity or environmental risk events are top of mind for nearly all survey respondents. Ninety-five percent say that long-term resilience and protecting against risk are important, and 64% are more prepared for a risk event than they were a year ago.

Protecting against risk that could disrupt critical workflows and access to data requires cross-functional collaboration. Not surprisingly, a majority (55%) see protecting against cyber, environmental, and other risks as one of the greatest opportunities for their governments to align and unify.



As a Collaborative Tool

Data is power, and local government is starting to welcome that as they reach for a more unified view of the results that matter most to their community. In terms of collaboration priorities, more than half are focused on adopting technology that collects data across departments and aligns around cross-functional business processes.



57%

Say the greatest opportunity for overall collaboration across departments is adopting technology that brings together data across sources

Survey Says

What brings meaning to your job – what makes you excited to come to work everyday?

I get to work on various projects unrelated to each other, make decisions, collaborate with internal and external stakeholders; learn every day and serve my community.”

SURVEY RESPONDENT

Using Tech to Overcome Obstacles

A majority of local government leaders across the country face dual challenges that slow them down and reduce the impact of their work: lack of resources and too much manual work. There's an opportunity to improve inefficiencies and reduce the need for additional resources using tech platforms that are purpose-built for local government.

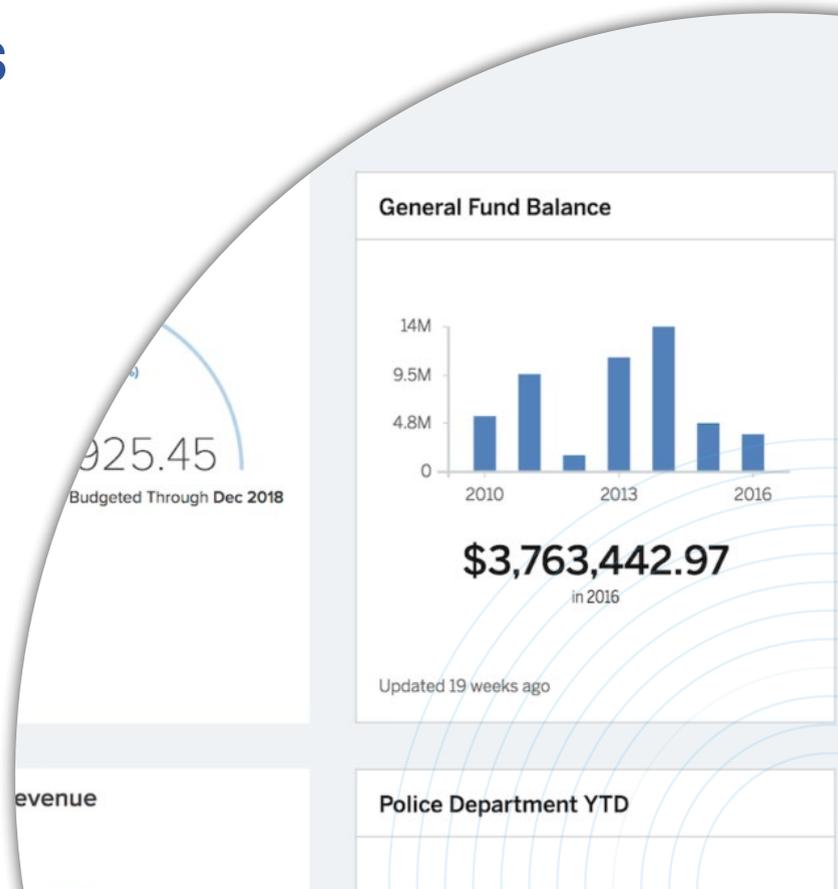
What are the biggest obstacles you face in your work?

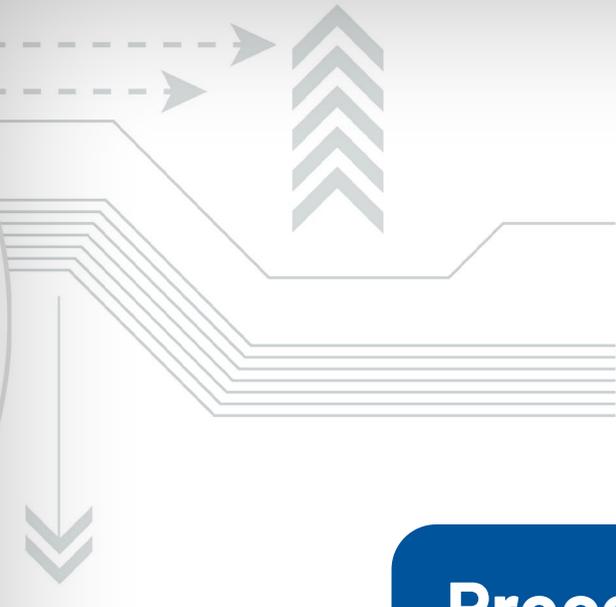
44% Too few resources

34% Too much manual work

Flashback

In our 2021 survey:
39% were prioritizing investments in technology to automate repetitive tasks and repetitive workflows





Process

Room for Improvement

For internal and external stakeholders, there have been process improvements for how local governments serve and communicate. But, in this year of ARPA funds and increased capital planning, the need for processes that improve engagement, transparency, and data is high.



Internally, steps have been made in the data-driven direction, with 69% saying they have improved data and insights that matter to stakeholders and the community.

But, there are gaps in understanding the data and how it is being communicated internally and externally, highlighting a need for education around data and what exactly it's saying.

In addition, there is an understanding gap between leaders and staff in terms of strategic priorities, with 67% of finance leaders, compared to last year, having a better understanding of the strategic priorities for their local government while only 53% of finance staff can say the same.

Thanks to federal stimulus funds, there has been a push towards strategic and transparent capital planning, with 67% respondents working to make capital planning more strategic, transparent, or collaborative.

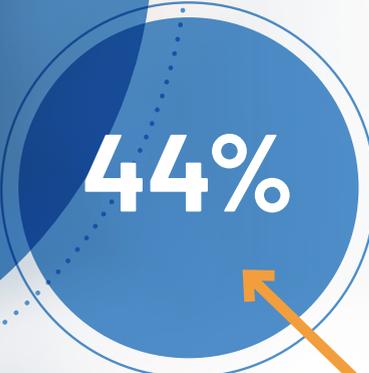


This begs the question:

How do leaders get priorities understood in the minds of the frontline workers?

Show Your Work

When it comes to citizen engagement, there is a gap between the services local governments have prioritized and how citizens want to engage. Although the vast majority have taken strides to improve the way they serve their community, few have actually seen a rise in resident engagement.



Have launched or expanded digital resident services
This is up from 31% last year.



Have improved access to **financial** and **budget information** for residents



Have improved access to **non-financial performance** metrics for residents

56% See improving service levels to meet citizen expectations is still one of their greatest opportunities

14% But, only 14% have seen an increase in resident engagement

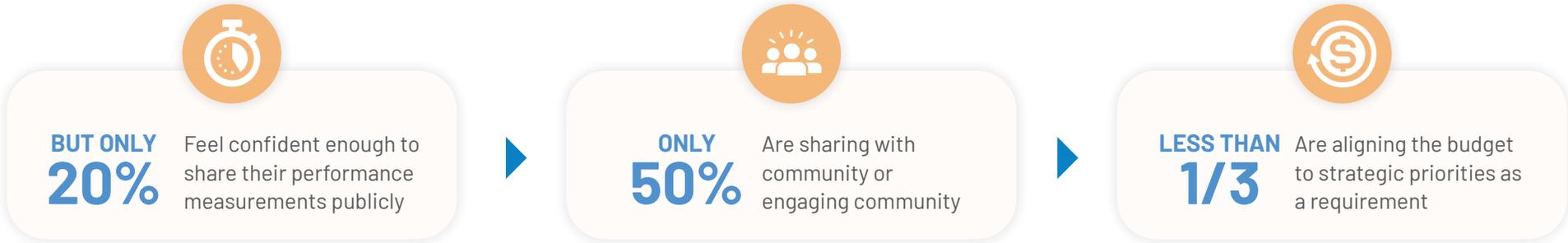
Sharing the Good Stuff

Although the data pipe is officially flowing, local governments still have challenges organizing and budgeting around strategic priorities. In terms of the data and insights that are available, 78% have taken at least small steps to improve what's available.

However, most are still not equipped to communicate this data with their agencies and community.

Leading us to the biggest opportunity: **Improving budget alignment with strategic priorities.**

78% Have somewhat, quite a bit, or absolutely improved its ability to communicate data and insights



Survey Says

What do you wish your residents better understood about their local government?

The priorities, vision for the future, and transparency of what government does.”

SURVEY RESPONDENT

Let's Talk Strategic Priorities

In order to align across departments, there is a need to bring all team members up to speed on the strategic priorities for their local government. Finance leaders have a much greater understanding of strategic priorities, but far fewer finance staff have gained the same level of understanding. Now's the time for leaders to align with their teams for a greater focus on the future.

67% of finance leaders, compared to last year, now have a better understanding of the strategic priorities for their local government

While only 53% of finance staff have gained a better understanding



Survey Says

What brings meaning to your job?

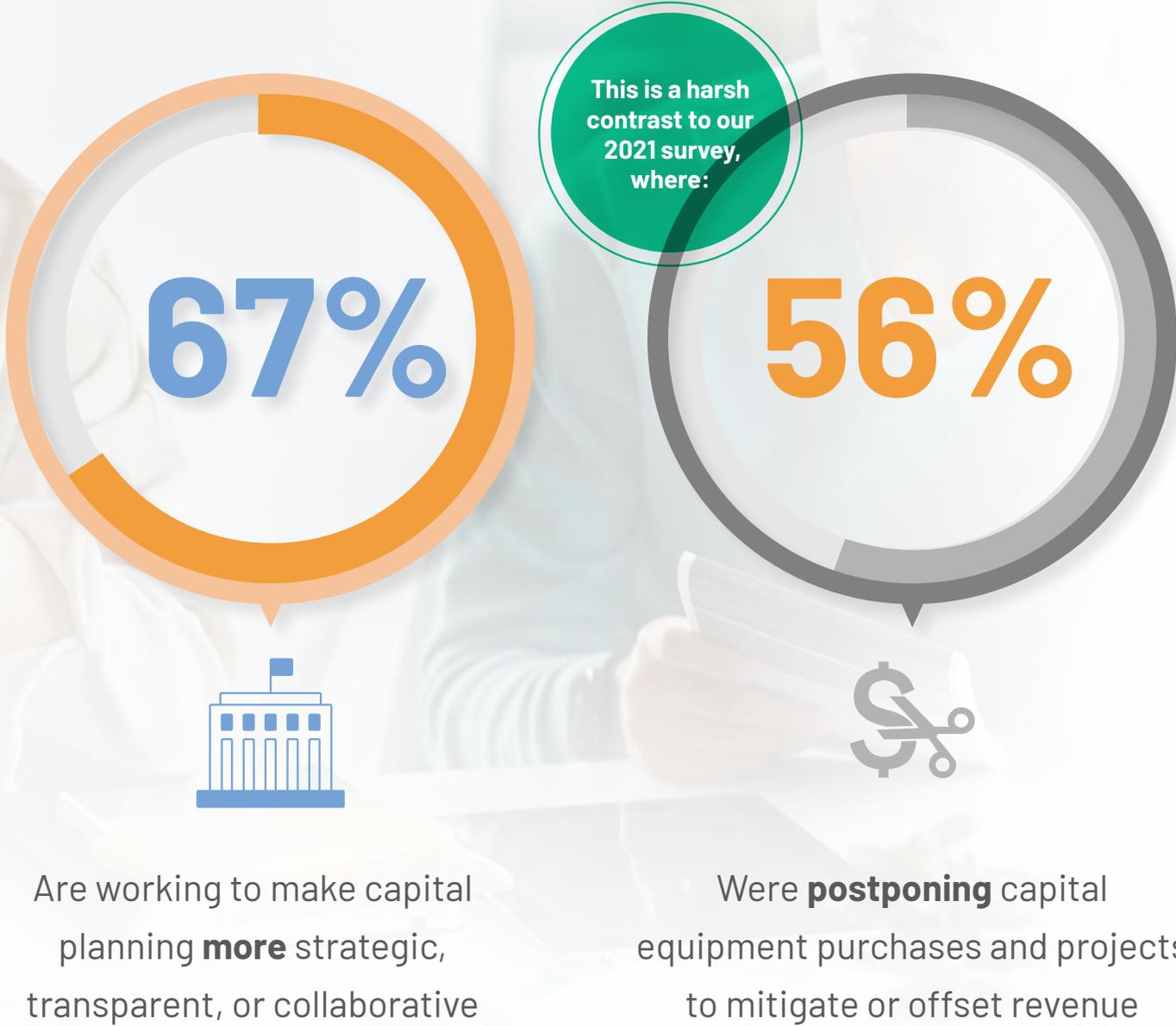
Clear, consistent, and equitable strategic goals, and performance measures informed by accurate and dynamic data feeds.”

SURVEY RESPONDENT

Double Down on Capital Planning

Thanks to funds made available through ARPA and other federal stimulus programs, the lens on capital planning is more focused than ever. Just one year ago, more than half of local governments were postponing capital equipment purchases and projects to mitigate or offset revenue loss.

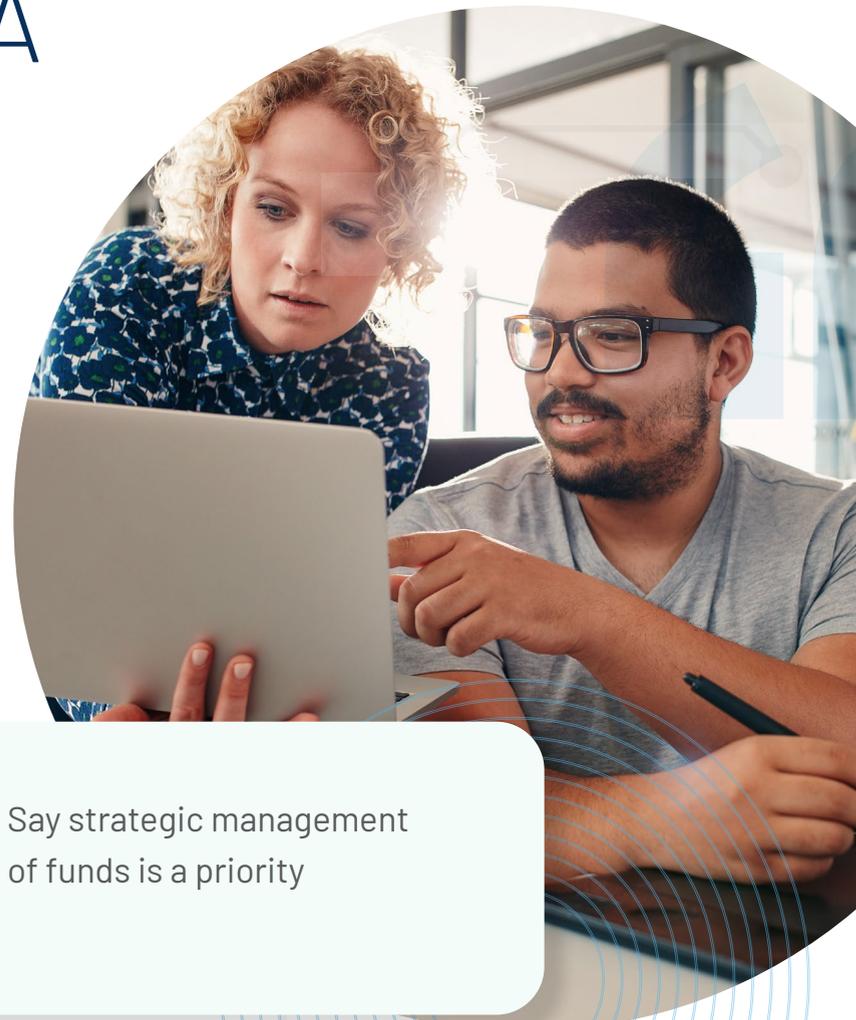
Fast forward to the present and a whopping two-thirds are making capital planning more strategic, transparent, or collaborative. We expect this to lead to greater strategic impact and better overall tracking and reporting for these growing plans.



The Challenges of ARPA

In terms of strategic budgeting and planning, including capital planning mentioned earlier, ARPA threw a big wrench into the workflows of local government leaders, albeit a good one.

The need is high to develop a transparent workflow around collecting, tracking, and reporting on ARPA fund use. The goal being to align with both resident expectations and federal reporting requirements.



83% Say transparent management of funds is a priority

79% Say strategic management of funds is a priority

Survey Says

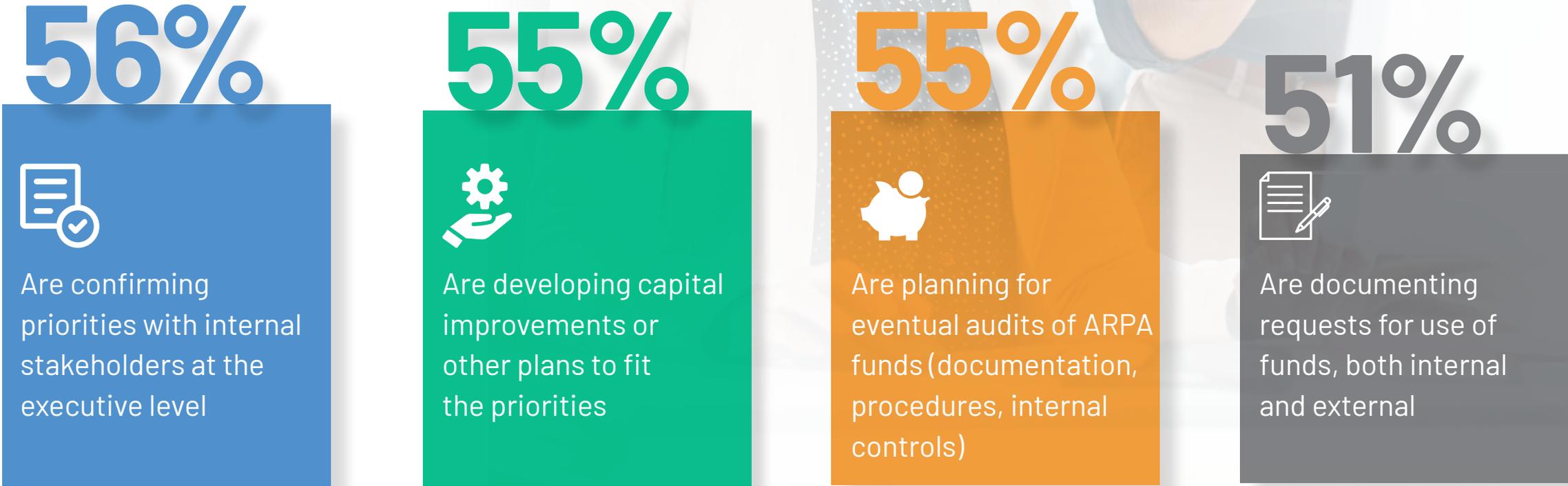
What brings meaning to your job?

I want to do my part in deploying this ARPA money serving the public.”

SURVEY RESPONDENT

Time to Spend

As local governments prepare to spend these and additional ARPA funds, there has been a trend in workflow priorities. Now that the final reporting guidelines have been released from the U.S. Treasury, we expect others to follow the same line.



People

Equity and Transparency Remain Aspirational if Not Elusive

Most agencies still have a big opportunity to make their budgeting and or procurement processes more equitable, with 57% of respondents saying they either have not or only somewhat improved on this front.

People

Equity in Budgeting and Procurement

Only a little more than half of respondents either have not or only somewhat made their budgeting and or procurement processes more equitable.



57%

Either have not or only somewhat made their budgeting and or procurement processes more equitable in the past year

Survey Says

What brings meaning to your job?

Being part of work to address racial equity and increasing transparency in finances.”

SURVEY RESPONDENT

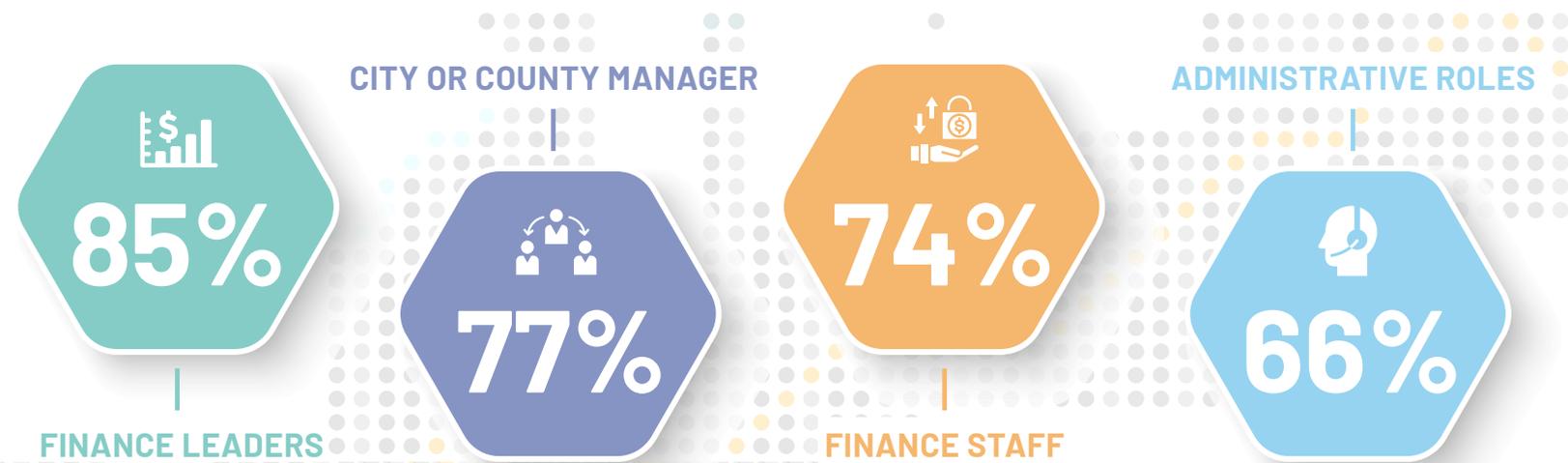
People

Here To Stay

In the middle of the Great Resignation, local government leaders should exhale a sigh of relief. In terms of staying in the public sector, 80% of respondents saw themselves still in government in two years.

However, there is a gap in response between government leaders and support staff. To keep the next generation of leaders in government, now's the time to engage the entire team on strategic priorities to help bring meaning to their roles.

Those who see themselves working in government in two years



Survey Says

What brings meaning to your job?

The daily challenges, the opportunity to make a difference in my community, and to bring change for the better to my community.”

SURVEY RESPONDENT

But it's Time to Bring in Reinforcements

Despite the desire to stay in local government, there is still the need for backup. To protect against turnover, the public sector needs to make their roles as desirable as the private sector. In addition, the results show a need for tech and process support so that local government employees can take a vacation and not return to a pile of work.



People

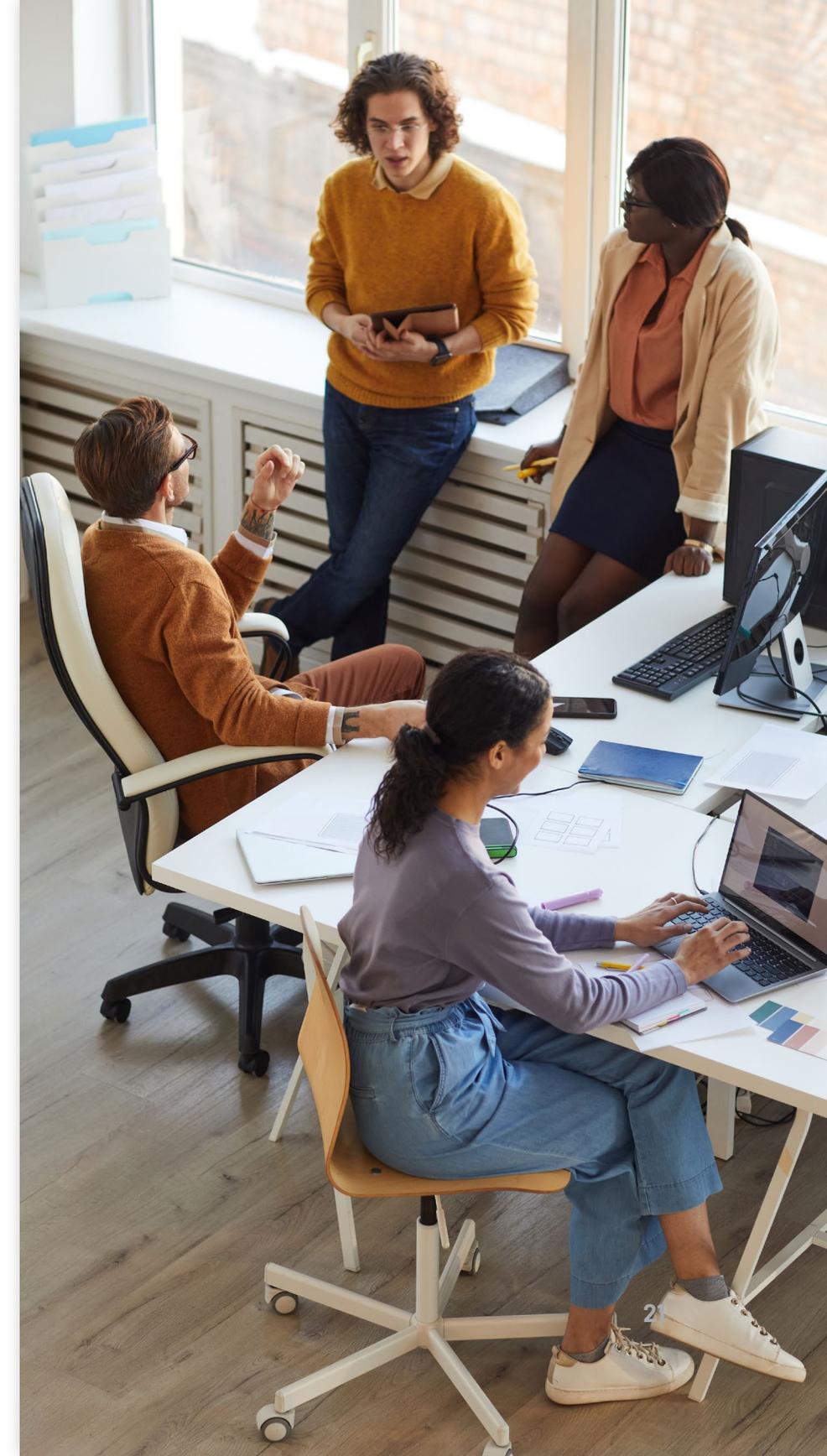
Aligned on Priorities, Now It's Time to Make Them Happen

To all the local government leaders and staff who are reading this, we salute you.

You are determined to improve your processes, making them more transparent and strategic, and there's a unique opportunity to do this work with federal stimulus funds.

Because of these needs and noted gaps, the survey reveals a clear divide between the need for digital infrastructure and the development of a long-term strategy to meet that need.

Technology upgrades must be incorporated into the long-term planning process to ensure that local governments can meet evolving workflow and data needs of their employees and the digital expectations of their community.



Demographics

Demographics for the 502 Survey Respondents

Sample Characteristics	Valid Percent*	
Sample size	100	
What is your role?	Finance Leader	48
	Finance Staff	19
	City or County Manager	5
	Administrative Role	7
	Other	21
What is your jurisdiction type?	Municipality	56
	County	34
	School District	5
	Special District	1
	Other	5

Sample Characteristics	Valid Percent*	
Sample size	100	
What best describes your level of expertise in government finance and accounting?	15+ Years	46
	8-14 Years	26
	3-7 Years	20
	0-2 Years	7
What is your budget size?	Tier 0, I A, I B (\$1B - \$5B+)	9
	Tier II A, II B, III A, III B (\$100M-1B)	24
	Tier IV A, IV B, V A, V B (\$0M-100M)	68
What is the population of your jurisdiction?	Less than 1,000	1
	1,001-5,000	11
	5,001-10,000	14
	10,001-50,000	39
	50,001-100,000	10
	100,001-250,000	8
	250,001-500,000	7
	500,001-1,000,000	4
More than 1,000,000	4	

About the Study

On behalf of OpenGov, independent polling and research firm Zogby Analytics conducted an online survey of 502 local government finance leaders across the US. Each invitation was password coded and secure so that one respondent could only access the survey one time.

Based on a confidence interval of 95%, the margin of error for 501 is +/- 4.4 percentage points. This means that all other things being equal, if the identical survey were repeated, its confidence intervals would contain the true value of parameters 95 times out of 100.

For media inquiries and access to the underlying data, please contact pr@opengov.com



About OpenGov

OpenGov is the leader in providing our nation's state agencies and local governments with modern cloud software to help power more effective and accountable government. Built exclusively for the unique budgeting, procurement, and community development needs of the public sector, OpenGov solutions help our more than 1,100 customers plan effectively, increase efficiency, and improve engagement through better collaboration and transparency.



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