2010 Citizen Engagement and Priority Assessment

MICHIGAN
Agenda

- Cobalt Background
- Methodology
- Research Model
- Results
- Additional Resources
- 2010 Health and OPEB Highlights
Background on Cobalt Community Research

- 501c3 not for profit incorporated in 2007
- Mission to provide research and education
- Developed to meet the research needs of local governments and non-profit organizations
- Methodology and benchmarks are available to individual local governments, regions and economic development groups
Why Citizen Research Matters

- Perception impacts behaviors you care about
- Citizen engagement improves support for difficult decisions and focus on key areas to improve
- Reliable data on resident priorities supports balancing demands of vocal minorities with the reality of limited resources
- Understanding residents helps you tap residents to improve and promote your community
- Bottom line outcome measurement of service and trust: Good government requires quality measurement and reporting
Cobalt Citizen Engagement and Priority Assessment

- Developed by local governments to be actionable
- Measures residents’ intent
- Maps citizen satisfaction with citizen funding priorities
- Credible independent assessment: world-class tool used in public and private sectors
- Results are compared to an index of satisfaction with local government across the region and country using 2010 baseline study data
- Rapid ROI: Supports efforts to retain and attract residents and businesses (what is the economic impact of keeping one resident or business for one year?)
- Can inexpensively augment existing survey programs
Cobalt Partners and Clients

- City of Clare
- City of Ferndale
- City of Rocky Mount, NC
- City of Saline
- City of Warren
- Dewitt Charter Township
- Employee Benefits Research Institute
- Gabriel, Roeder, Smith & Company (GRS)
- Government Finance Officers Association
- ING
- Maple Valley Schools
- Marquette Township
- Michigan Government Finance Officers Association
- Michigan Office of Retirement Services
- Municipal Employees’ Retirement System (MERS) of Michigan
- National Conference on Public Employee Retirement Systems
- Northstar Academy
- Public Pension Financial Forum (P2F2)
- Southeast Michigan Council of Governments (SEMCOG)
- St. Clair County
- Tegrit Financial
- The International Foundation of Employee Benefits
- Ypsilanti Charter Township
American Customer Satisfaction Index (ACSI)

Founded in 1994, the ACSI is the only national indicator of customer satisfaction

- Measures 43 industries, 200+ organizations
- Covered sectors account for 66% of the U.S. economy

Published quarterly in leading print, broadcast and broadband media

For more information, see www.theacsi.org
## ACSI Scores – National, Sector, Industry

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<thead>
<tr>
<th>Sector</th>
<th>Score</th>
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<td>Utilities</td>
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<td>Airlines</td>
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<td>U.S. Postal Service</td>
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<td>Express Delivery</td>
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<td>Newspapers</td>
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<td>Personal Computers</td>
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<td>Electronics (TV/VCR/DVD)</td>
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<tr>
<td>Major Appliances</td>
<td>81</td>
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<tr>
<td>Automobiles &amp; Light Vehicles</td>
<td>84</td>
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<tr>
<td>Health Care &amp; Social Assistance</td>
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<td>Manufacturing/ Durable Goods</td>
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<td>Public Administration/ Government</td>
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<tr>
<td>Retail Trade</td>
<td>75.2</td>
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<td>Finance &amp; Insurance</td>
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<td>E-Commerce</td>
<td>80.0</td>
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<tr>
<td>Internet News &amp; Information</td>
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<tr>
<td>Internet Portals/Search Engines</td>
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<td>Food Manufacturing</td>
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<td>Pet Food</td>
<td>84</td>
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<td>Athletic Shoes</td>
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<td>Personal Care &amp; Cleaning Products</td>
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<tr>
<td>Health &amp; Personal Care Stores</td>
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<tr>
<td>Retail</td>
<td>82</td>
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<td>Brokerage</td>
<td>74</td>
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<td>Travel</td>
<td>75</td>
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<td>Banks</td>
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<td>Credit Unions</td>
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<td>Health Insurance</td>
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<tr>
<td>Life Insurance</td>
<td>78</td>
</tr>
<tr>
<td>Property &amp; Casualty Insurance</td>
<td>81</td>
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</table>
Private Sector Companies Measured

- ABN AMRO (Interfirst)
- AAFES (Worldwide)
- Apple, Inc.
- Banco Bilbao Vizcaya (Spain)
- Bell South (U.S.)
- Best Buy (U.S.)
- Blue Cross Blue Shield Assoc.
- Cable & Wireless (19 countries)
- Coca-Cola (U.S.)
- Comerica (U.S.)
- Compuware (U.S.)
- Deutsche Bank (Europe)
- Earthlink (U.S.)
- Electrolux (Europe)
- FedEx
- Ford Motor Company (U.S.)
- GE Capital (U.S.)
- Gateway (U.S.)
- General Motors
- Google
- H & R Block (U.S.)
- Hyatt Corporation
- Magotteaux (Europe)
- McDonald's (U.S.)
- MSNBC
- Nordea (Sweden, Finland)
- Scandinavian Airlines (Sweden, Denmark, Norway)
- Sears Roebuck and Co. (U.S.)
- ServiceMaster (U.S.)
- Sprint Nextel
- Starbucks
- Telecom Italia (Italy)
- Vattenfall (Sweden)
Public Sector Clients Measured

- Bureau of Labor Statistics
- Centers for Medicare and Medicaid Services
- Central Intelligence Agency
- Corporation for National Service
- Department of Commerce
- Department of Education, Federal Student Aid
- Department of Housing and Urban Development
- Department of State
- Export-Import Bank
- Federal Aviation Administration
- Food Safety and Inspection Service
- General Services Administration
- Health Resources and Services Administration
- Internal Revenue Service
- National Aeronautics and Space Administration
- National Cancer Institute
- National Institutes of Health
- National Science Foundation
- Pension Benefit Guarantee Corporation
- Railroad Retirement Board
- Small Business Administration
- Social Security Administration
- United States Customs Service
- United States Food and Drug Administration
- United States Mint
- University of Michigan
2010 Methodology
Methodology

- Collected 2,744 responses from a random sample of adults across the United States
- Two waves of mailings to randomly selected citizens with option to complete online
- Margin of error varies with level of analysis, and national level of analysis is +/- 1.2% and regional is approximately +/- 3%
- Results are tied with U.S. Census Bureau place codes, so results can be linked to broader governmental and academic datasets (migration, economic health, etc.)
Demographic Filters

- Length of Residence
- Own/Rent
- Place of Employment
- Age
- Educational Level
- Income
- Marital Status
- Household Composition
- Gender
- Ethnicity
- Community Size
- Census ID
Model
Customer Satisfaction Model
Airline example

**Customer Experiences**
- Check-in
- Arrival
- In-flight Services
- Loyalty Programs
- Price
- Schedule
- Seat Comfort
- Lounges
- Cabin Staff
- Safety

**Customer Satisfaction = Value**

**Outcome Behaviors**
- Repurchase
- Recommend

Where to improve
Where to invest next

Leave the plane quickly
Speedy baggage delivery
Etc.

Overall Satisfaction
Compared to expectations
Compared to ideal

CSI

Customer Experiences

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Citizen Satisfaction Model

Citizen Experiences
- Schools
- Transportation
- Fire/Emergency
- Utility
- Police
- Health Care
- Taxes
- Shopping
- Local Government
- Events
- Economy
- Parks/Rec
- Library

Citizen Satisfaction = Value
- Overall Satisfaction
- Compared to expectations
- Compared to ideal

Outcome Behaviors
- Remain
- Recommend
- Volunteer
- Encourage Businesses
- Support Admin
- Community Image

Where to improve
Where to invest next

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How does the satisfaction of Michigan citizens compare with the rest of the US?

1. Below national scores
2. Right about even
3. Above national scores
Results
Outcomes: Satisfaction by Level of Government

- Community Satisfaction (ACSI): MI 2010 = 56, MI 2009 = 59, Nat'l 2010 = 58, Nat'l 2009 = 58
- School Satisfaction: MI 2010 = 57, MI 2009 = 57, Nat'l 2010 = 57, Nat'l 2009 = 51
Outcomes: Elements of Satisfaction

- Community Satisfaction (ACSI)
  - MI 2010: 56
  - MI 2009: 59
  - Nat'l 2010: 58
  - Nat'l 2009: 58

- Overall satisfaction
  - MI 2010: 64
  - MI 2009: 64
  - Nat'l 2010: 57
  - Nat'l 2009: 57

- Compared to expectations
  - MI 2010: 56
  - MI 2009: 58
  - Nat'l 2010: 49
  - Nat'l 2009: 49

- Compared to ideal
  - MI 2010: 55
  - MI 2009: 54
  - Nat'l 2010: 47
  - Nat'l 2009: 47
Outcomes: Community Image

- Community Image
- Safe place to live
- Enjoyable for children
- Enjoyable for young adults
- Enjoyable for seniors
- Enjoyable for everyone else
- Physically attractive
- Great place to live
- Great place for business
- Community growing responsibly
- Safe place to bike and walk
- Safe place to walk at night
- Perfect community for me

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Outcomes: Young Adults by Age

- Enjoyable for young adults

- 18-24: 64
- 25-34: 56
- 35-44: 58
- 45-54: 54
- 55-64: 56
- 65 or over: 67

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Outcomes: Behavioral Intent

- Recommend as place to live: MI 2010 (62), MI 2009 (62), Nat'l 2010 (65), Nat'l 2009 (65)
- Remain in community: MI 2010 (69), MI 2009 (71), Nat'l 2010 (71), Nat'l 2009 (73)
- Plan to volunteer: MI 2010 (54), MI 2009 (52), Nat'l 2010 (50), Nat'l 2009 (52)
- Encourage business startup: MI 2010 (51), MI 2009 (51), Nat'l 2010 (49), Nat'l 2009 (53)
- Support government admin: MI 2010 (57), MI 2009 (57), Nat'l 2010 (57), Nat'l 2009 (57)

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How many different communities have you lived in so far?

Audience Participation . . .
Michigan Drivers

How are we performing? (100 = Most Positive)

What drives citizen engagement if we improve?

Library
Community Health Care
Shoeing Opportunities
Telecommunication Services
Diversity
Utility Services
Fire and Emergency Medical Services
Parks and Recreation
Public Schools
Local Government
Community Events
Property Taxes
Economic Health
Transportation

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Transportation Infrastructure

- Transportation: MI 2010 = 53, MI 2009 = 56, Nat'l 2010 = 56, Nat'l 2009 = 52
- Road Maintenance: MI 2010 = 46, MI 2009 = 50, Nat'l 2010 = 50, Nat'l 2009 = 54
- Road signage: MI 2010 = 65, MI 2009 = 67, Nat'l 2010 = 66, Nat'l 2009 = 65
- Traffic free of congestion: MI 2010 = 58, MI 2009 = 60, Nat'l 2010 = 55, Nat'l 2009 = 53
- Public transportation options: MI 2010 = 38, MI 2009 = 43, Nat'l 2010 = 43, Nat'l 2009 = 48
- Accommodates bicycle and foot traffic: MI 2010 = 36, MI 2009 = 37, Nat'l 2010 = 37, Nat'l 2009 = 44
Local Government Management

- Local Government
- Leaders are trustworthy
- Well managed government
- Well trained government employees
- Effective communication
- Wisely spent money
- Open to citizen ideas

MI 2010 | MI 2009 | Nat'l 2010 | Nat'l 2009

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Community Events and Culture

- Community Events: 61 (MI 2010), 60 (MI 2009), 58 (Nat'l 2010), 61 (Nat'l 2009)
- Range of cultural offerings: 59 (MI 2010), 58 (MI 2009), 56 (Nat'l 2010), 58 (Nat'l 2009)
- Strong/vibrant art community: 57 (MI 2010), 55 (MI 2009), 54 (Nat'l 2010), 57 (Nat'l 2009)
- Quality sporting events: 60 (MI 2010), 60 (MI 2009), 57 (Nat'l 2010), 59 (Nat'l 2009)
- Variety of festivals and events: 66 (MI 2010), 65 (MI 2009), 62 (Nat'l 2010), 65 (Nat'l 2009)
Economic Health

![Economic Health Diagram]

- Economic Health
- Living costs
- Quality of jobs
- Affordability of housing
- Stability of property values
- Strength of local economy

Comparison across years:
- MI 2010
- MI 2009
- Nat'l 2010
- Nat'l 2009
Additional Resources
1. Study allows local governments to repeat the national research at the local level and add custom questions

2. Outcome is high-quality, affordable survey data to prioritize resources and adapt

3. Supports focus of budget and staff on areas with the greatest impact on satisfaction and citizen behaviors (remain, recommend, volunteer, support business start ups, support current administration)

4. Provides benchmarking of citizen perceptions across local governments to support economic development

5. Provides benchmarking across public and private sectors of the U.S. economy

6. Requires minimal staff time and is designed to be regularly repeated for budget reports and strategic dashboards
Nonprofit Program Has Five Modules

- Driver and Benchmarking Index
- Budget Allocation
- Future Projects
- Communication
- Continuation of Previous Survey Questions
Optional Budget Allocation Module:
Rate Your Programs by Satisfaction, Importance and Cost
Optional Budget Allocation Module:

Budget Direction

- Crime control
- Downtown dev/new businesses
- EMS
- Firefighting services
- Library services
- Municipal court
- Neighborhood blight control
- Parks and recreation
- Pedestrian and bike friendly
- Rear yard rubbish pickup
- Recycling services
- Rubbish pickup
- Snow removal
- Street lighting
- Street maintenance
- Tree maintenance and replacement
- Water and sewer services
- Yard waste collection

- Combine with another community
- Streamline operations
- Eliminate the service
- Reduce service levels
- Reduce staffing
- Raise user fees
- Raise taxes
Optional Future Project Module:
Rate Potential Projects by Support, Funding and Cost

![Graph showing projects on a scatter plot]

- Alternative Energy
- Bike Trail
- Business Center
- Pavilion
- Water Park

Percentage Specifying vs. Percentage Willing to Fund

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Optional Communications Module:
Communication Preference and Media Preference

- Mail: 70.0%
- E-mail: 30.0%
- Community Web site: 20.0%
- Phone: 30.0%
- Newsletter: 60.0%
- Facebook/social network: 0.0%
- Twitter: 0.0%
Optional Communications Module:
Communication Preference and Media Preference

<table>
<thead>
<tr>
<th>TV Stations</th>
<th>Radio Stations</th>
<th>Newspaper(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which do you watch for local news?</td>
<td>Which do you listen to for local news?</td>
<td>Which do you read for local news?</td>
</tr>
</tbody>
</table>

- None of these
- Channel 5 (CBS)
- Channel 12 (ABC)
- Channel 25 (NBC)
- None of these
- 790 AM
- 1250 AM
- 96.1 FM
- 107.1 FM
- 90.1 FM
- None of these
- Saginaw News
- Township Times
- Midland Daily News
- Tri-County Citizen
- The Banner
- None of these

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2010 Health and OPEB Strategies Study Highlights
(free at www.CobaltCommunityResearch.org)
Section 2: Expected Revenue Changes

Comparison of Expected Change in Annual Revenues by Region

Percent of Respondents in Region Category

- West
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- South
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- Midwest
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- Northeast
  - Increase
  - Stay Same
  - Decline
  - Don't Know
Section 2: Expected Revenue Changes

Comparison of Expected Change in Annual Revenues by Type of Government

- Special District
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- Township
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- Municipality
  - Increase
  - Stay Same
  - Decline
  - Don't Know

- County
  - Increase
  - Stay Same
  - Decline
  - Don't Know

Percent of Respondents in Type of Government Category
Section 2: Expected Revenue and Employment Changes

**What changes do you expect in your local government workforce in the next two years? (Q6)**

Note: Numbers do not add to 100% due to multiple applicable responses.
Section 4: Provision of Health Care to Retirees

For governments providing health care for early retirees (pre-Medicare), what percent of the premium is paid by the local government? (Q13)

Note: The 2009 survey requested information regarding respondents paying 81-100% of the premium. The 2010 survey requested information regarding respondents paying 81-99% and 100%. Both are shown above for comparative purposes.
Section 4: Provision of Health Care to Retirees

For governments providing health care for Medicare-eligible retirees, what percent of the premium is paid by the local government? (Q14)

Note: The 2009 survey requested information regarding respondents paying 81-100% of the premium. The 2010 survey requested information regarding respondents paying 81-99% and 100%. Both are shown above for comparative purposes.
Section 4: Provision of Health Care to Retirees

For governments providing retiree health care, how do retiree premiums compare to active employee premiums? (Q15)

- Retirees Higher: 17% (2009), 18% (2010)
- Retirees Lower: 14% (2009), 15% (2010)
- Retirees Same: 57% (2010)
- Not Sure/No Answer: 14% (2009), 10% (2010)
Section 6: Health Care Strategies

What changes have you implemented or plan to implement to reduce health care costs with regard to plan eligibility and contributions? (Q26)

Bar chart showing the percentage of respondents that have implemented or plan to implement various health care strategies:
- Close plan to new hires: 32% implemented, 4% plan to implement
- Increase age/service requirements: 14% implemented, 3% plan to implement
- Prorate benefits based on service: 13% implemented, 3% plan to implement
- Increase deductibles: 27% implemented, 3% plan to implement
- Increase health copays: 25% implemented, 2% plan to implement
- Increase drug copays: 11% implemented, 2% plan to implement
- Increase share of premium: 21% implemented, 1% plan to implement
- Increase out-of-pocket limits: 19% implemented, 1% plan to implement
- Cap employer contributions: 17% implemented, 6% plan to implement
- Prorate employer contributions based on service: 8% implemented, 2% plan to implement

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Section 6: Health Care Strategies

What are significant barriers to health plan design changes? (Q31)

<table>
<thead>
<tr>
<th>Barriers</th>
<th>2009 Survey Respondents</th>
<th>2010 Survey Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advantages do not outweigh effort</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Not enough staff/time to implement changes</td>
<td>8%</td>
<td>11%</td>
</tr>
<tr>
<td>Not enough information to make a decision</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Waiting for state/federal action</td>
<td>5%</td>
<td>11%</td>
</tr>
<tr>
<td>Union contracts</td>
<td>27%</td>
<td>28%</td>
</tr>
<tr>
<td>Statutory mandates</td>
<td>5% 5%</td>
<td>21% 20%</td>
</tr>
<tr>
<td>No change is needed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>8% 10%</td>
</tr>
</tbody>
</table>
What else does Cobalt do?

- Health and OPEB Funding Strategies: National Survey of Local Governments
- Business Engagement and Priority Assessment
- Employee Engagement and Priority Assessment
- Rapid Marketing/Policy Surveys
- Facilitated Meetings/Audience Response
- Focus Groups/Citizen Workshops
- Member Engagement and Priority Assessment
- School Engagement and Priority Assessment

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Conclusion

- Citizen engagement and managing perception are key to delivering value
- Supports better decision making through:
  - Better science
  - Better benchmarks
  - Better price

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