Олимпиада для студентов и выпускников– 2018 г.

Направление «Государственное и муниципальное управление»

Профиль:
«Государственное и муниципальное управление» КОД – 160

Время выполнения задания – 240 мин., язык – русский и английский.

Инструкция по выполнению олимпиадного задания

1. Олимпиада по профилю «Государственное и муниципальное управление» в магистратуру департамента государственного и муниципального управления факультета социальных наук Национального исследовательского университета – Высшей школы экономики на магистерскую программу «Государственное и муниципальное управление» проводится в письменной форме на русском и английском языках.

2. Олимпиада состоит из четырех разделов, содержавших разные типы заданий:

2.1. Раздел A – Тестовые вопросы (ответы на русском языке);

2.2. Раздел B – Анализ англоязычной статьи и ответы на вопросы по статье (ответы на русском языке);

2.3. Раздел C – Написание мини-эссе на заданную теоретическую тему (эссе на русском языке);

2.4. Раздел D – Написание мини-эссе на заданную практическую тему (эссе на английском языке).

3. Общее время выполнения олимпиадных заданий составляет 240 минут. Использование в процессе написания олимпиады справочной литературы, методических пособий, учебников, словарей, компьютеров и ноутбуков, смартфонов и телефонов, калькуляторов – запрещается.

4. Проверяется только чистовик олимпиадного задания, черновик не проверяется.

5. Оценка олимпиады осуществляется на основе установленных оценочных баллов за выполнение заданий каждого блока.

6. Тестовые вопросы олимпиады (Раздел A) включают 10 вопросов, предполагающих выбор одного или нескольких правильного(-ых) варианта(-ов) ответа из предложенных.

7. Количество баллов за ответы на тестовые вопросы, определяется по следующей шкале:

7.1. За каждый вопрос, ответ(-ы) на который дан(-ы) полностью верно (отмечен(-ы) исключительно один или все правильные ответы): 2 балла;

7.2. За каждый вопрос, ответ(-ы) на который дан(-ы) частично верно (правильных ответов отмечено больше, чем неправильных): 1 балл;

7.3. За каждый вопрос, ответ(-ы) на который дан(-ы) неверно (неправильных ответов отмечено больше или равное количество, чем правильных; не отмечено ни одного правильного ответа): 0 баллов;

7.4. За каждый (пропущенный) вопрос, оставшийся без ответа: 0 баллов.

7.5. Минимальная возможная оценка за ответы на тестовые вопросы составляет 0 баллов.

7.6. Максимальная возможная оценка за ответы на тестовые вопросы составляет 20 баллов.

8. Анализ англоязычной статьи и ответы на вопросы по статье (Раздел B) олимпиады предполагает анализ текста (фрагмента текста) англоязычной статьи и написание ответов на поставленные вопросы на русском языке.

9. Баллы за ответы на вопросы (на русском языке) определяются исходя из следующих критериев:

9.1. Соответствие содержания ответов поставленным вопросам;

9.2. Точность ответов на поставленные вопросы;

9.3. Полнота ответов на поставленные вопросы;

9.4. Логичность построения ответов на поставленные вопросы;

9.5. Использование профессиональной терминологии и лексики.

9.6. Рекомендованный объем ответов за вопросы по статье составляет 3-5 страниц формата А4.

9.7. Минимальная возможная оценка за анализ англоязычной статьи и ответы на вопросы по статье составляет 0 баллов.

9.8. Максимальная возможная оценка за анализ англоязычной статьи и ответы на вопросы по статье составляет 30 баллов.

10. При написании мини-эссе на заданную теоретическую тему (на русском языке) предлагается выбор любой одной темы по своему усмотрению из предложенных тем Раздела С.

11. При написании мини-эссе на заданную практическую тему (на английском языке) предлагается выбор любой одной темы по своему усмотрению из предложенных тем Раздела D.

12. Рекомендованный объем одного мини-эссе составляет 2-4 страницы формата А4.

13. При оценке содержания мини-эссе используются следующие критерии:

13.1. Соответствие содержания мини-эссе выбранной теме;

13.2. Полнота и глубина раскрытия заданной темы;

13.3. Четкость, структурированность и логичность изложения своей точки зрения и аргументации;

13.4. Использование профессиональной терминологии, а также соответствующих теме мини-эссе научных концепций и теорий;

13.5. Демонстрация знаний международного опыта и последних тенденций в выбранной тематической области;

13.6. Корректность изложения мини-эссе, отсутствие ошибок (правильность грамматики, орфографии, пунктуации, стиля изложения), корректное использование терминологии и профессиональной лексики.

14. Баллы за написание мини-эссе на заданную тему определяются исходя из максимальной оценки в 25 баллов за каждое мини-эссе.

14.1. Минимальная возможная оценка за 2 мини-эссе (Разделы С и D) составляет 0 баллов.

14.2. Максимальная возможная оценка за 2 мини-эссе (Разделы С и D) составляет 50 баллов.

15. Максимальная возможная оценка за олимпиадное задание составляет 100 баллов.

Желаем Вам успехов!

Раздел А. Тестовые вопросы, предполагающие выбор одного или нескольких правильного(-ых) варианта(-ов) ответа из предложенных (на русском языке)

Пожалуйста, выберите среди предложенных ответов один или несколько правильный(-ых) варианта(-ов) и заштрихуйте соответствующий ему(им) овал(-ы) в бланке ответов на пересечении номера вопроса и номера ответа(-ов).

А1. Укажите представителей естественно-правовой (договорной) теории (концепции) происхождения государства:

1. А. Галлер;
2. Т. Гоббс;
3. Ж. Гобино;
4. Е. Дюринг;
5. К. Каутский;
6. О. Конт;
7. Д. Локк;
8. Ж. Маритен;
9. Г. Спенсер;
10. Ф. Энгельс.

А2. В небольшой деревне местная администрация решила закупить новый трактор для работы на полях жителей. Каждый житель должен проголосовать «за» или «против». Ежегодные расходы на эксплуатацию трактора составляют 120 000 руб., причем каждый житель должен платить равный налог. Выберите верные утверждения, если ежегодная выгода жителей представлена в таблице:

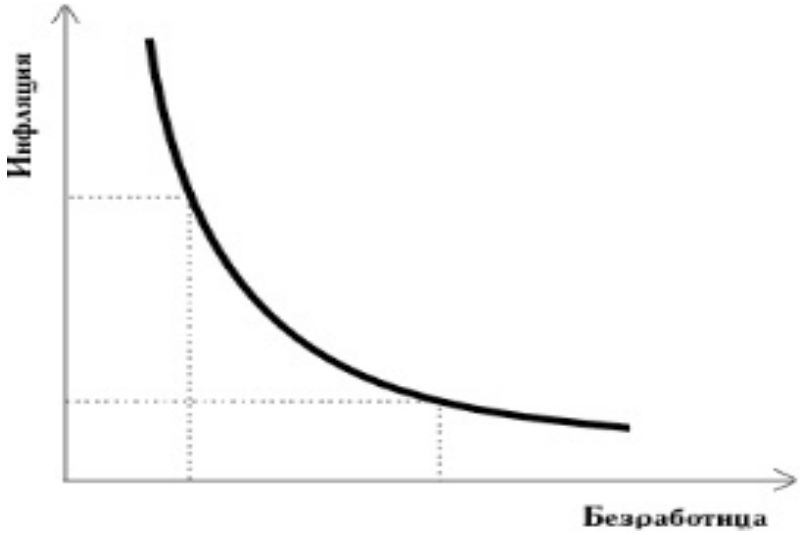
Жители	Ежегодная выгода, руб.
№1	18 000
№2	2 600
№3	16 000
№4	12 000
№5	6 000
№6	22 000
№7	15 400
№8	17 000

1. Общая чистая выгода жителей равна 109 000 руб.;
2. Общая чистая выгода жителей равна 32 400 руб.;
3. «За» проголосуют жители № 2, 3, 4, 5, 7;
4. «За» проголосуют жители № 1, 3, 6, 7, 8;
5. «За» проголосуют жители № 2, 4, 5;
6. «За» проголосуют жители № 1, 6, 8;
7. По результатам голосования проект будет принят;
8. В целом коллективное решение будет неэффективным;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

А3. Выберите верные утверждения, руководствуясь следующим условиями. В городе А спрос на некоторый товар и его предложение описываются равенствами: $Q_{\text{А}}^{D} = 8000 - 80P$, $Q_{\text{А}}^{S} = -400 + 20P$. В городе Б спрос и предложение этого же товара описываются равенствами: $Q_{\text{Б}}^{D} = 6000 - 60P$, $Q_{\text{Б}}^{S} = -800 + 40P$.

1. Исходя из функций спроса, совокупности покупателей городов А и Б различаются численностью;
2. Исходя из функций спроса, совокупности покупателей городов А и Б различаются доходами;
3. Исходя из функций предложения, качественные условия деятельности фирм в городах А и Б различаются;
4. Если сообщение между городами отсутствует, то равновесная цена в городе А ниже, чем в городе Б;
5. Если сообщение между городами отсутствует, то равновесная цена в городе Б ниже, чем в городе А;
6. Если сообщение между городами отсутствует, то в городах наблюдается стагнация;
7. Если между городами появится железная дорога (произойдет объединение рынков), равновесный (единый) объем продаж вырастет, но будет ниже, чем сумма равновесных объемов продаж в городах А и Б при отсутствии сообщения между городами;
8. Если между городами появится железная дорога (произойдет объединение рынков), равновесная (единая) цена будет ниже, чем равновесная цена в городе А, но выше, чем равновесная цена в городе Б при отсутствии сообщения между городами;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

А4. Как называется изображенная ниже зависимость, характеризующая взаимосвязь между уровнем инфляции и уровнем безработицы?



1. Загогулина Ельцина;
2. Кривая Безье;
3. Кривая Гильберта;

4. Кривая Джинни;
5. Кривая Кейнса;
6. Кривая Лаффера;
7. Кривая Лоренца;
8. Кривая Пашена;
9. Кривая Филлипса;
10. Кривая Хигса.

А5. Определите вид(ы) налога на основе данных, представленных в таблице:

Ставка заработной платы в час (€)	**Налог за час работы, который платит работник (€)**
100	25
80	20
60	15
40	10
20	5

1. Аккордный;
2. Акцизный;
3. Мягкий;
4. Паушальный;
5. Прогрессивный;
6. Пропорциональный;
7. Регрессивный;
8. Твердый;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

А6. Выберите верные утверждения о безработице:

1. Уровень безработицы представляет собой отношение общей численности рабочей силы (суммы количества занятых и безработных) к численности безработных, выраженное в процентах;
2. К категории не включаемых в численность рабочей силы относятся люди, которые в принципе могли бы трудиться, но не делают этого в силу разных причин;
3. Человек не считается занятым, если он не работает по следующим причинам: а) находится в отпуске; б) болеет; в) бастует и г) из-за плохой погоды;
4. Особенностью фрикционной безработицы является то, что работу ищут уже готовые специалисты с определенным уровнем профессиональной подготовки и квалификации;
5. Структурная безработица не зависит ни от структуры спроса на продукцию разных отраслей, ни от влияния научно-технического прогресса;
6. Причинами циклической безработицы являются циклические спады производства или кризис экономики, связанные с недостатком спроса на рабочую силу;
7. Естественный уровень безработицы может быть рассчитан как сумма уровней фрикционной и структурной безработицы;

8. При спаде (рецессии) в экономике, фактическая безработица не может превышать свой естественный уровень;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

А7. Какие параметры (индексы, компоненты) используются при определении качества государственного управления (Governance Research Indicator Country Snapshot, GRICS) по методике Всемирного Банка:

1. Верховенство закона;
2. Деловой климат;
3. Качество законодательства;
4. Качество образования и профессиональной подготовки кадров;
5. Политическая стабильность и отсутствие насилия;
6. Сдерживание коррупции;
7. Средняя продолжительность жизни;
8. Уровень безработицы;
9. Учёт мнения населения и подотчетность государственных органов;
10. Эффективность работы правительства.

А8. Чему равен минимальный возраст, дающий право поступления на государственную гражданскую службу?

1. 14 лет;
2. 16 лет;
3. 18 лет;
4. 20 лет;
5. 22 года;
6. 24 года;
7. 26 лет;
8. 28 лет;
9. 30 лет;
10. Минимальный возраст поступления на государственную гражданскую службу не установлен.

А9. Что не входит в состав требований к структуре разделов административного регламента?

1. Досудебный (внесудебный) порядок обжалования решений и действий (бездействия) органа, предоставляющего государственную услугу, органа, предоставляющего муниципальную услугу, а также должностных лиц, государственных или муниципальных служащих;
2. Общие положения;
3. Ответственность сторон за неисполнение или ненадлежащее исполнение возложенных на них обязанностей;
4. Организационная структура подразделений органа, предоставляющего государственную услугу;
5. Порядок осуществления действий, в том числе согласований, необходимых для получения государственных и муниципальных услуг и связанных с обращением

в иные государственные органы, органы местного самоуправления, организации;
6. Состав, последовательность и сроки выполнения административных процедур, требования к порядку их выполнения, в том числе особенности выполнения административных процедур в электронной форме, а также особенности выполнения административных процедур в многофункциональных центрах;
7. Стандарт предоставления государственной или муниципальной услуги;
8. Формы контроля за исполнением административного регламента;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

А10. Из каких видов выплат состоит денежное содержание государственных гражданских служащих?

1. Должностной оклад;
2. Ежемесячное денежное поощрение;
3. Надбавка за выслугу лет;
4. Надбавка за особые условия гражданской службы;
5. Надбавка за работу со сведениями, составляющими государственную тайну;
6. Надбавка за соответствие квалификационным требованиям;
7. Оклад за выполнение функций и должностных обязанностей;
8. Оклад за классный чин;
9. Премия за выполнение особо важных и сложных заданий;
10. Премия за особые отличия на гражданской службе.

Раздел В. Анализ англоязычной статьи и ответы на вопросы по статье (на русском языке)

Прочитайте статью и развернуто ответьте на следующие вопросы (пожалуйста, отвечайте содержательно на русском языке, при ответе на вопрос указывайте его номер, например, «В7»). Рекомендуемый объем ответов на все вопросы – 5-8 страниц А4, не более 10 страниц:

В1. Какие основные подходы к оказанию государственных услуг обсуждаются в статье? В чем их отличия? По каким критериям эффективности этих подходов авторы статьи проводят сравнение? Обоснуйте Ваш ответ.

В2. В чем заключается дихотомия «make or buy», на основные какие теоретические концепции ссылаются авторы статьи при выборе наиболее оптимального способа оказания государственных услуг? Кратко охарактеризуйте основные теории и факторы, которые должны учитываться при выборе того или иного способа оказания государственной услуги.

В3. Что представляют собой рассматриваемые авторами транзакционные издержки, контрактация и аутсорсинг применительно к оказанию государственных услуг? Дайте подробную характеристику этим понятиям, опишите их преимущества, недостатки и ограничения применения.

В4. Перечислите и кратко охарактеризуйте эмпирические исследования по оказанию муниципальных государственных услуг, на которые опираются авторы статьи. Какие два опроса лежат в основе исследований авторов статьи? Опишите параметры этих опросов. Что нового рассматривают авторы статьи по сравнению с предыдущими эмпирическими исследованиями?

В5. Какие из рассматриваемых авторами статьи государственных услуг имеют наиболее высокий общественный интерес и почему? Аргументируйте Ваш ответ. Назовите государственную услугу, имеющую, по данным авторов статьи, самый высокий уровень интереса со стороны общества в сельских районах.

В6. Какую регрессионную модель используют и описывают авторы статьи в Таблице 3 своего исследования? Кратко опишите, что представляет собой данная регрессионная модель. Что показывает предельный (маржинальный) эффект в используемой авторами эконометрической модели, какие на основе значений предельного (маржинального) эффекта можно сделать выводы?

В7. Перечислите переменные, которые являются статистически значимыми (на уровне значимости менее 0,055) одновременно во всех моделях некоммерческого предоставления государственных услуг (Таблица 5). Что, по Вашему мнению, это означает? Аргументируйте Ваш ответ. В какой из моделей критерий согласия Пирсона наилучший?

В8. Какие основные выводы делают авторы статьи по итогам исследования? Согласны ли Вы с выводами авторов и интерпретацией полученных результатов? В чем заключаются основные ограничения применения полученных выводов? Обоснуйте Ваш ответ.

В9. Насколько, по Вашему мнению, актуальна представленная в статье проблема для России? Какие из рассмотренных авторами статьи государственных услуг и на каком уровне государственного управления являются наиболее проблемными с точки зрения предоставления в Российской Федерации? Аргументируйте Ваш ответ.

В10. Считаете ли Вы сложившуюся практику предоставления государственных услуг в Российской Федерации эффективной? Опишите её основные преимущества и недостатки. Что бы Вы предложили для совершенствования оказания государственных услуг в нашей стране? Обоснуйте Ваш ответ.

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Contracting or Public Delivery? The Importance of Service, Market, and Management Characteristics

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ABSTRACT

Analysis of local government contracting decisions typically focuses on transactions costs related to service characteristics, especially asset specificity and difficulty of contract management. This analysis expands the focus to include market characteristics (competition), citizen characteristics (public interest in the service delivery process), and place characteristics (metro status and public management) and finds these are the more important factors. A 2007 survey of US city managers' rankings of 67 services by transactions costs, competition, and citizen interest is combined with a 2007 national survey of city managers' sourcing decisions (direct public, intergovernment cooperation, for-profit and nonprofit contracting). Multinomial logit models of service delivery sourcing choice find that metro status and competition are key explanatory variables. Intergovernmental cooperation represents an important public market alternative when contract management is difficult and competition is low. For profit contracting is less common when citizen interest is high and competition is low. Governments with professional managers appear more effective in addressing these broader transactions costs of citizen interests, political and labor opposition, and market management.

INTRODUCTION

The shift toward market delivery of public services, particularly contracting out, was conceived as a means to promote efficiency, better align managerial objectives with citizen concerns, and promote local economic development. The superiority of market delivery is based on public choice assumptions (increased choice, efficiency) (Osborne and Gaebler 1992; Savas 1987). However, recognition of the importance of transactions costs on contracting has led to empirical analysis looking at the nature of the service and of the contracting process (Bel and Fageda 2007; Brown et al. 2008; Hefetz and Warner 2007, 2004; Levin and Tadelis 2010), as well as the differential nature of public sector response by geography (Bel and Costas 2006; Bel and Mur 2009; Dijkgraaf and Gradus 2008; Warner

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2006, 2009; Warner and Hefetz 2002a, 2002b, 2003). Public administration theory focuses primarily on the nature of the service, but geography, economics, and planning give more attention to broader theoretical frameworks that focus on industrial organization and the structure of the market and the sector (Bel and Mur 2009; Bel and Warner 2008; Bel et al. 2010; Hefetz and Warner 2007; Vickers and Yarrow 1988). Recent concern with citizen engagement and the role of government have given more attention to social choice concerns on the interaction between citizens and government (Denhardt and Denhardt 2000, 2003; Sager 2002; Warner 2008).

From both an economic and an organizational perspective, service characteristics are important in determining the sourcing decision—whether a service will be provided in-house or contracted in the market. In the private sector, the "make or buy" literature explores when transactions will occur inside the firm and when they will take place in interaction with the market, based on the relative transactions costs of market or internal production related to governance form (Coase 1937). Transactions costs analysis also figures importantly in analyses of the public sector (Bel and Fageda 2008; Brown and Potoski 2003a, 2005; Brown et al. 2008; Ferris and Graddy 1994; Hefetz and Warner 2004, 2007; Kavanagh and Parker 1999; Levin and Tadelis 2010; Lowery 2000; Nelson 1997; Sclar 2000).

In this article, we expand from a primary focus on service characteristics and look at the broader objectives and constraints that government managers must consider in their decisions on sourcing service delivery. In addition to service characteristics related to asset specificity and contract management difficulty, we give attention to the level of public interest in the process of service delivery and the level of competition in the market. We conduct a nationwide survey of local government managers to derive measures of these features for a set of 67 services. We combine this survey with the most recent 2007 data from the International City County Management (ICMA) on forms of local government service delivery. We use multinomial logit regression models to explore the choice of service delivery alternatives (public delivery, public contracting, or private contracting), and the role of service characteristics (technical expertise and asset specificity, difficulty of contract specification, and monitoring), market characteristics (level of competition), citizen interest (public interest in service delivery), and place characteristics (metro status and public management) on service delivery form. Our results yield new insights on the nature of transactions costs and show the need for more attention to the nature of local markets and the role public managers play in managing those markets and balancing service delivery concerns with citizen interests.

LITERATURE REVIEW

From Political to Pragmatic Privatization

Public sector reforms in many countries since the end of the 1970s adopted privatization policies as a major instrument in search of expenditure and tax cuts and higher efficiency. The aims of privatization reforms, as practiced first by the Thatcher administration in the United Kingdom were mainly to withdraw the government share from market production, to lower public debts and limit money supply, to reduce labor union influence on government decisions, to widen private markets, and to gain political support (Heffernan 2005; Marsh 1991). Advocates predicted a decreasing role for direct government provision of

public service delivery (Savas 1987). Although privatization gained wide support at national and local levels around the world (Henig 1990), actual privatization rates, especially among US local governments, have grown more slowly than expected.

ICMA surveys of US municipalities showed privatization peaked at less than 20% of service delivery in 1997 (Warner and Hefetz 2004). In addition, studies have not found clear evidence of cost savings and efficiency gains under privatization reforms (Boyne 1998; Bel et al. 2010; Domberger and Jensen 1997; Jensen and Stonecash 2005; Marsh 1991). New research has challenged privatization, especially outsourcing public services, as efficiency oriented rather than service-quality oriented, and missing the importance of citizen and government engagement in the democratic process (Box 1999; Christensen and Laegreid 2002; Denhardt and Denhardt 2000; Nalbandian 2005). Although early privatization reforms dichotomized politics from administration and substituted managerial control for political control, current public reforms undertake a middle path that combines market solutions with political control (Christensen 2001; Warner 2008). The debate over privatization is moving from ideology to pragmatism—not a quest for a better administration philosophy, but for better functioning public organizations (Warner and Hebdon 2001; Warner and Hefetz 2004; 2009). The same concerns with politics and economic efficiency that motivated ideological outsourcing may serve as promoters for more balanced approaches to public service delivery (Feigenbaum and Henig 1994; Hefetz and Warner 2007; Warner and Hefetz 2008).

Several questions arise from the current status of this debate. Early enthusiasm is now replaced by a broader set of concerns, and in practice, governments embrace a more pragmatic approach (Bel et al. 2007; Bel and Fageda 2007; Boyne et al. 2002; Brown et al. 2006; Hebdon and Jallete 2008). This calls for a better understanding of the sourcing decision. Is it a "make or buy" dichotomy or are there alternatives that involve some level of integration between markets and planning? Under which circumstances are which delivery modes better suited? Public management can look to private organizations as a source for reform models (Boyne 2006; Prager 1994). The focus of this study was to understand how public managers' assessments of transactions costs, competition, and public interest affect the choices they make on sourcing and how this assessment varies by service and by place. We will look at four sourcing alternatives: in-house public delivery, intergovernmental cooperation (contracting to other governments), private contracting to for-profit providers and nonprofit providers.

Transactions Costs and Service Characteristics

The potential of private markets for public services has turned the sourcing dilemma into a central one faced by public managers. Understanding the sourcing decision, to make or buy, is a fundamental question in industrial economics. The theoretical analysis of privatization and contracting out uses the concept of transactions costs to include administrative costs as well as costs of contracting. Coase, in his seminal 1937 paper, outlined transactions costs as a means to understand why firms exist. Williamson (1991, 1999) gave specific attention to transactions costs inside the public sector. Williamson (1999) imagines a continuum from public, to mixed, to private production depending on the nature of the service. Stein (1990) used transactions costs to classify local government services and assess the form of delivery. Building on Williamson (1999) and Coase (1937), theory suggests that the decision to make or buy a service will be determined primarily by service characteristics:

(1) the level of specific physical infrastructure or technical expertise and (2) difficulty in contract specification and monitoring. Transactions costs have been used to explain government choice in the decision to contract out (Nelson 1997; Sclar 2000; Zerbe and McCurdy 1999). Some authors find that transactions costs in the market are important in explaining decisions regarding service delivery choice (Bel and Fageda 2008, 2009; Brown and Potoski 2003a, 2003b; Entwistle 2005; Ferris and Graddy 1994; Kavanagh and Parker 1999; Levin and Tadelis 2010; Lowery 1998; Hefetz and Warner 2004, 2007). Others argue that the costs inside bureaucracy are higher than those found under contracting (Eggers and O'Leary 1995; Osborne and Plastrick 1997; Megginson and Netter 2001; Savas 1987). These might include political rents, budget maximizing behaviors, and perverse incentives due to lack of competition within public bureaucracies.

Understanding Market Characteristics: Competition and Cooperation

Service characteristics described by transactions costs are only one element in the government sourcing decision. Governments face a broader set of concerns than just asset specificity and contract specification and monitoring when deciding how to deliver a service. Williamson (1999) sees a broader objective function for government than just efficiency. Government is also responsible to ensure probity—failsafe service delivery. Concern over failsafe delivery leads many local governments to both make and buy a service—ensuring redundancy in the market (Miranda and Lerner 1995). The use of such mixed delivery has risen among local governments as they have gained experience with contracting (Warner and Hefetz 2008).

Competition is key to the potential for costs savings and probity under outsourcing. However, lack of competition continues to plague markets for public goods (Johnston et al. 2004, Johnston and Girth forthcoming; Sclar 2000). This problem is especially acute in rural areas (Hirsch 1995a; Johnston and Romzek 1999; Kodrzycki 1994; Warner 2009, 2006; Warner and Hefetz 2002b, 2003). Although policies promoting competition, such as Compulsory Competitive Tendering in the United Kingdom have attempted to address this problem (Domberger et al. 1986; Szymanski 1996), competition remains a concern (Davies 2007; Pinch and Patterson 2000). Lack of competition undermines the potential for cost savings (Bel and Warner 2008; Bel et al. 2010; Warner and Bel 2008). This has led local governments to explore other means of gaining economies of scale.

Limited competitive markets for local government services have raised the debate over competition or cooperation (Entwistle and Martin 2005). In the private sector literature, emphasis is given to "cooperative competition" and the promotion of industrial clusters to promote information exchange and agglomeration economies (Harrison 1992; Piore and Sabel 1984). In the public sector, such cooperative competition is perhaps best evidenced in the very high levels of intergovernmental contracting or shared services. Intergovernmental contracting requires building a public market of cooperating governments. It is the most common alternative to private contracting, and governments typically pursue both reforms simultaneously but for different services (Warner and Hefetz 2009). Intergovernmental contracting ensures the benefits of scale economies while still allowing local governments to retain public control and local identity in service delivery (Anas 1999; Morgan and England 1988; Parks and Oakerson 1993). Suburban municipalities exhibit high levels of both cooperation and for-profit contracting (Joassart-Marcelli and Musso 2005; Warner and Hefetz 2002a, 2003). Rural municipalities use intergovernmental

cooperation to create markets where limited private markets exist (Bel and Costas 2006; Bel and Mur 2009; Warner 2006, 2009). In the United States, small rural governments often have trouble attracting a market of competitive private suppliers, so a public market of cooperating governments offers an important alternative (Ferris and Grady 1991; Kodrzycki 1994; Lavery 1999; Morgan and Hirlinger 1991; Warner and Hefetz 2002b, 2003). In 2007, the ICMA survey shows intergovernmental contracting—cooperation—is more common than for-profit contracting (Warner and Hefetz 2009).

Markets for public services must have a civic core that ensures some level of public accountability and control (Ramesh et al. 2010). Monitoring and regulation of private contract markets is not enough as the recent debacles in the energy and financial sectors have shown (Clark and Bradshaw 2004; Ramesh 2008). A civic core requires a more active level of government engagement in the market for public goods. Clark and Bradshaw outline the framework for a civic market based on public oversight to ensure cooperation, innovation, interactional learning, and internalization of externalities. "The civic market is not built on the premise that a competitive market must be created and maintained; instead, it is built on the premise that such a competitive market is impossible to guarantee and that the public good must be served and assured by active public private partnerships between empowered state agencies and innovative and socially responsible companies" (Clark and Bradshaw 2004, 344). Opportunism, bounded rationality, and uncertainty are not exogenous but emerge as part of the exchange process (Williamson 1996). Clark and Bradshaw (2004) point out that cooperation allows for interactive learning, which a static view of the transactions costs model ignores. They argue that there should be a civic core to markets for public goods, which includes cooperation, local control, and planning. Intermunicipal cooperation is one way local governments have worked to build that civic core.

Understanding Public Interests and Governmental Complexity

In addition to addressing the complementarities between competition and cooperation, theorists are also giving increasing attention to the differences between citizen and consumer. Recent literature has challenged privatization, especially outsourcing public services, as missing the importance of citizen and government engagement in the democratic process (Box 1999; Christensen and Laegreid 2002; deLeon and Denhardt 2000; Denhardt and Denhardt 2000, 2003; Nalbandian 2005). Although early privatization reforms dichotomized politics from administration and substituted managerial control for political control, current public reforms undertake a middle path that combines market solutions with political engagement (Christensen 2001; Warner 2008). Effectiveness of service delivery can be increased with citizen engagement (Potapchuck et al. 1998). In addition, citizen participation can help avoid social choice dilemmas as individual preferences become more social through a process of iterative dialogue and engagement (Lowery 2000; Sager 2002). Municipalities represent an increasingly heterogeneous population and it is largely through local public services that citizens practice engagement with others unlike themselves (Frug 1999). Market delivery, by contrast tends to segment consumers into more homogeneous groups based on preference (Webster and Lai 2003; Warner 2011). However, as will be shown in the analysis later on, when there is a higher level of citizen interest in service delivery, government sourcing decisions will tend away from private delivery. Maintaining a civic core of governmental coordination and control is especially important in

infrastructure systems that have high externalities (e.g. energy, transportation; Barter 2008; Ceriani et al. 2009; Clark and Bradshaw 2004).

We need to better understand local government managers as actors in both a civic and an economic marketplace of public goods. Zerbe and McCurdy (1999, 567) argue, "Public provision of public goods may have less to do with the characteristics of goods than the behavior of the interests providing them". Government managers must assess service characteristics, market characteristics, and citizen concerns. Each element in this calculus is important for the sourcing decision. Failure to include attention to market and place characteristics denies the importance of local differences in public service delivery. In this research, we directly engage those differences and assess sourcing decisions based on predicted expectations of service, market, management, and place characteristics with actual observed behavior of local government managers.

Sourcing Choices

We bring these concerns together in an overall theoretical framework that links service delivery choice to characteristics of service, market, citizen, place, and management (Table 1). We address four sourcing choices: public delivery, for-profit contracting, intergovernmental cooperation, and nonprofit contracting. The theoretical literature on sourcing choices emphasizes differences in ownership, interests, and management responses. We hypothesize that services that are more asset specific, have more contract management difficulty, or have more public interest will be more likely to be sourced through the public sector—either directly or through intergovernmental contracts. Ownership determines to whom benefits from service delivery (such as profit, innovation, or efficiency gains) will accrue. Private owners will have more incentives to innovate because they are most likely to capture the benefits of efficiency gains in increased profits. However, they will also attempt to reduce costs at the expense of service quality (Hart et al. 1997). This led Domberger and Rimmer (1994) to argue that competitive supply and monitoring will be more important than ownership. Although transaction cost theory argues that services with high asset specificity, high contract management difficulty, and low competition would be poor candidates for contracting, it is not clear that these results hold in the case of nonprofits. Nonprofit owners have lower incentives for innovation, but more incentives to preserve service quality (Hansmann 1987, 1996). Government selection of nonprofit providers will be greater when the strengths of nonprofits (personalized service, small scale, community control) correspond to government needs (Salamon 1987). Governments may choose to contract services that are difficult to manage and have high citizen interest to nonprofits so that the political burden is transferred to a community-controlled sector (Eggleston and Zeckhauser 2002; Stein 1990). Thus, we suggest these features are indeterminate from a theoretical perspective.

The management literature argues for the importance of a strategic approach that emphasizes training, evaluation, assessment of risk, capital intensiveness, and fiscal stress (Cohen 2001; Hirsch 1995b; Romzek and Johnston 2002). Competition is especially critical in for-profit contracts and can be enhanced by separating the contract into subcomponent parts and bidding separately on each (Domberger and Rimmer 1994; Girth et al. 2009; Morgan 1992). Rural areas suffer from thin markets (Johnston and Romzek 1999; Warner 2006, 2009; Warner and Hefetz 2002b, 2003), and the greater heterogeneity of citizen interests in more urban settings is part of what explains our fragmented local government

Table 1
Theoretical Hypotheses Regarding the Relationship Between Sourcing Decisions, Service Characteristics, and Metro Status

	Direct Public	Intergovernmental	For-Profit Contracting	Nonprofit Contracting
Service characteristics				
Asset specificity	+	+	−	Indeterminate
Contract management difficulty	+	+	−	Indeterminate
Market characteristics				
Competition	−	−	+	Indeterminate
Citizen characteristics				
Public interest in service delivery	+	+	−	+
Place characteristics				
Metro status				
Metro core	High	Low	Low	High
Suburb	Medium	High	High	Low
Rural	High	High	Medium	Medium

system (Briffault 2000; Frug 1999; Lowery 2000). But, is there an additional effect of place on sourcing choice? Prior research has found that sourcing choices can be clearly differentiated by metro status and our theoretical predictions derive from this literature (Hirsch 1995a; Joassart-Marcelli and Musso 2005; Kodrzycki 1994; Warner 2006, 2009; Warner and Hefetz 2002b, 2003).

In a recent special issue of JPART titled "The State of the Agent," scholars discuss governmental contracts to nongovernmental service providers, the effect of these contracts on governance structures, and what is missing from the current debate on these new approaches in terms of theoretical support. Heinrich and Milward (2010) suggest that, as the number of nongovernmental alternatives involved with public service delivery increases, the discussion is about the boundaries between the state and the agent. They raise the problem of accountable and transparent outsourced delivery. Brown et al. (2010) emphasize the fact that expected competition in the market is limited and the contracting case becomes one of a single buyer and a single supplier, which increases risks of contract failure when contracts are poorly specified due to service complexity. They list three major issues of service specification: (1) What is in exchange? (2) What are the buyer/seller relationships (short and long term)? (3) What is the preferred strategy, collaborate or defect? Since both sides are locked in the contract, collaboration is the better solution for uncertain service delivery. Bertelli and Smith (2010) expand on the longevity of the contract and discuss relational contracting. They point out that public managers should use their right to terminate contracts to create a credible threat on agents. They develop a behavioral taxonomy for managers, which outlines objective and subjective performance measures (integrated governance structure, incentive contracts, relational outsourcing) to use when markets are competitive or not.

Prior Empirical Research

Three prior studies that assess the sourcing decision with regard to service characteristics deserve special attention. Stein (1990) analyzed the first ICMA survey (1982 data) and

characterized services by Ostrom's categories of private, toll, common property, and collective goods (Ostrom and Ostrom 1977). He then looked at sourcing decisions based on this typology. He found that local governments were more likely to contract private goods and most likely to directly provide common property goods. However, the rates of direct provision were over one-third even for private goods, and over half for all other types. This shows a strong preference for public provision despite differences in service type. Stein did not directly measure service characteristics, he assessed them theoretically.

Brown and Potoski (2005) were the first to actually conduct a survey measuring asset specificity and ease of measurement of 64 specific local government services. Their sample of 36 local government managers' assessments of these two service characteristics was then used to understand monitoring levels among respondents to the larger 1997 ICMA local government Alternative Service Delivery (ASD) survey. They found little relationship between service characteristics and monitoring (Brown and Potoski 2003b), but significant effects on sourcing decisions (public intergovernmental contracting, private, nonprofit, and direct public service delivery) (Brown and Potoski 2003a). Subsequently, they used these two measures to look at changing sourcing forms over time (1992–97), and asset specificity was only a significant predictor in the nonprofit model. Ease of measurement was significant in all models in the expected direction (easier to measure services more likely to be contracted out) though its effect was weak (Brown et al. 2008). In each of these models, they used the mean value for each service characteristic measured across all places.

Levin and Tadelis (2010) conducted a survey of 23 local governments asking similar questions about service characteristics, but they related them more directly to the management process. They included four measures: measuring and monitoring contracts, need for flexibility, provider scarcity and lock in, and resident sensitivity to service quality. These characteristics were assessed on 29 services. *Measuring and monitoring* is similar to Brown and Potoski's ease of measurement variable except that it focuses on the monitoring process of the service, not just the service itself. *Need for flexibility* addressed uncertainty and the need for adaptive responses. *Provider scarcity and lock in* combined the notions of asset specificity and lack of competition into a single measure. They also asked about *resident sensitivity* to service quality. They found little variability and strong correlation among the first three measures and thus combined all three into a single variable, contracting difficulty, for their models. Their subsequent multinomial logit models on sourcing decisions found that contracting difficulty and resident sensitivity were significant predictors of local government contracting in the expected directions (more contract difficulty or more citizen sensitivity, less contracting) for the 1997–2002 period. However, as with Brown and Potoski, Levin and Tadelis used a single average value for each service and then repeated this over all cases.

We improve on prior work in four ways. First, we conduct a larger sample, balanced across population size and metro status to assess whether managers' assessments of service characteristics vary by place. They do. Second, we include separate measurements of service characteristics (asset specificity and contract management), market characteristics (competition), citizen interest, and place characteristics. Third, we directly link local managers' assessments of service characteristics, competition, and public interest with their actual sourcing choices. We do not use averages for each service, but the actual assessment of each individual manager paired with the individual service sourcing decision. Fourth, we use assessments from the same year and a more recent period (2007). Brown and Potoski

and Levin and Tadelis use assessments from a more recent time period than their data on sourcing decision. As managers have learned over time how to better monitor and manage contracts, it is possible that assessments of these service characteristics could change. In addition, as we will show below, there is substantial variation in assessment of these characteristics and these assessments vary systematically by place. This challenges the prior use of service averages.

Data

Data for this analysis are based on two surveys. The first is our survey of local government managers' assessments of the four characteristics outlined above for each of the 67 services. The second is the ICMA 2007 ASD survey that measures the sourcing decision. Both surveys were conducted in 2007. The ICMA ASD survey is interested in *how* local governments provide services—in-house or via contracting (for-profit, nonprofit, intergovernmental) and has been conducted every 5 years since 1982. The sample frame includes all cities over 10,000 population and all counties over 25,000. The full 2007 ASD survey had a response rate of 26% (1,474 municipalities). For more descriptive information on the 2007 ASD survey see Warner and Hefetz (2009).

In summer 2007, we conducted, in collaboration with ICMA, a supplemental survey to assess service characteristics of all the services ICMA measures on its ASD survey. The purpose of the supplemental 2007 survey was to gain manager's assessments of the 67 services measured by ICMA on the following characteristics: asset specificity, contract management difficulty, level of public interest, and level of competition. We asked city managers to rank each service by asset specificity (the extent to which specific physical infrastructure or technical expertise was required), the difficulty of contract specification and monitoring, the level of public interest in service delivery, and the number of alternative suppliers (level of competition). Definitions were pretested with a number of local government officials and survey design experts. See Appendix 1 for definitions.

Although the supplemental survey had a lower response rate (164 respondents) than the full ASD survey, it was four to five times larger than the surveys conducted by Brown and Potoski (2005) and Levin and Tadelis (2010). The distribution of respondents to the service characteristics survey is quite similar to the full ASD survey. The majority of respondents to the supplemental survey were from suburban municipalities (53%), and the rest were from metro core (25%) and rural independent municipalities (22%).[1] In the full ASD 2007 survey, the majority of the 1474 respondents were from suburbs (53%), but more respondents were from rural municipalities (30%) than from central cities (17%) due to a deliberate oversample of rural municipalities in the 2007 ASD survey. We combined

1 Supplemental surveys were sent to all chief elected officials of US Municipalities for which ICMA had valid email addresses (2207) in June and July 2007. A third email was sent in August to people who had begun the survey but indicated that they would "Finish Later." Responses were received from 164 municipalities for a response rate of 7.5%.

data from the two surveys for a data set of 118 municipalities that answered both surveys (30 metro, 66 suburb, 22 rural). On average, each municipality provides 38 services yielding a data set of 4,745 cases of public service delivery on which all subsequent analysis is based.

Understanding Service, Market and Management Characteristics

The traditional economic approach to understanding whether to make or buy a service is based on how specific the asset is and how difficult it would be to manage and monitor a contract. Services that are more asset specific or more difficult to manage are less likely to be contracted out. Specific infrastructure or expertise was measured on a scale from low (1) to high (5). Across all cases of service delivery, the average asset specificity is 3.44 (Table 2). Those services with the highest asset specificity are in water and sewer, health, legal services, waste disposal, libraries, and museums. Services with the lowest asset specificity are parking lots, vehicle towing, and parking meter maintenance. For a detailed description of characteristic scores by each service from the full survey see Table A1.

Difficulty of contract specification and monitoring is measured on a scale from easy (1) to difficult (5). Contract management difficulty is 2.93 on average across all cases, which suggests that managers find contract management moderately difficult. The hardest to manage contracts are for hospitals, followed by police and fire, public health, sewer, and water treatment, as well as human services—child welfare, emergency medical, welfare eligibility, job training, elderly programs, and libraries and museums (Table A1). The easiest services for contract management are similar to the ones with low asset specificity: parking lot, parking meter, and vehicle towing. Services with low asset specificity and which are easy to manage are good candidates for contracting out.

Table 2
Characteristics and Sourcing Decisions by Metro Status

	All		Metro		Suburb		Rural	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Characteristics								
Asset specificity	3.44	1.23	3.45	1.24	3.39	1.24	3.57	1.18
Contract management difficulty	2.93	1.20	3.01	1.22	2.91	1.19	2.85	1.21
Citizen interest	3.05	1.41	3.21	1.38	3.02	1.44	2.91	1.34
Market competition	1.67	1.60	1.72	1.56	1.83	1.62	1.18	1.48
Sourcing decisions	%	*n*	%	*n*	%	*n*	%	*n*
Direct public	48.4	2,296	54.7	756	44.6	1,099	49.1	441
Intergovernmental	17.3	822	11.8	163	19.6	484	19.5	175
For-profit	20.5	974	16.6	229	23.0	566	19.9	179
Nonprofit	4.6	218	7.3	101	3.0	73	4.9	44
Other	9.2	435	9.6	133	9.9	243	6.6	59
N cases	100	4,745	100	1,382	100	2,465	100	898

Source: Author analysis of ICMA Alternative Service Delivery survey 2007 and ICMA Service Characteristics survey 2007. 4745 service delivery cases from 118 municipalities responding to both surveys.
Note: Characteristics found significantly different by metro status and by sourcing decisions (one-way ANOVA, $p < 0.05$); Sourcing decisions by metro status found to have row/column dependency ($\chi^2 - 115.9$; $p < .00$).

We find many of the services that have high contract management difficulty are also services with high asset specificity. Theory suggests that these would be poor candidates for contracting. For police and fire services, and water and sewer, this is generally true. However, for human services, culture, and arts, contracting to the nonprofit sector is common (see Warner and Hefetz 2009 for full description of contracting levels by service in the 2007 ASD survey). Due to the complexity of these services, local governments seek to contract out to nonprofit (but community controlled) actors with specific service expertise (e.g., homeless shelters, museums). In the case of legal services and utilities, which are also highly asset specific and difficult to manage, local governments have come to rely on the private sector that has made investments in infrastructure and expertise that reduce the risk of contracting. This suggests that either confidence in available vendors or community control is important in making a decision to contract out despite high asset specificity and contract management difficulty.

Market and citizen characteristics such as competition and public interest are as important as service characteristics in determining local government sourcing decisions. ICMA's 2007 ASD survey found on average 31% of respondents face an inadequate supply of private deliverers (Warner and Hefetz 2009). In this supplemental survey, we asked about the level of competition for each of the 67 services. Competition was measured on the following scale: 0 = government only; 1 = one alternative provider; 2 = two alternative providers; 3 = three alternative providers; and 4+ = four or more alternative providers. On average across all cases of service delivery, the level of competition is 1.67. This means that there are fewer than two alternative suppliers for the average service. Local services by definition must be provided locally, and for many services there is not a competitive local market of alternative providers. The services with the highest level of competition are: child care, legal services, vehicle towing, and tree trimming (Appendix Table 2). These are good candidates for contracting. Less than half of the 67 measured services have two or more alternative providers. Services with the lowest levels of competition are police, fire, libraries, sewer, water, and tax collection. These services are more likely to be provided in-house or via intergovernmental cooperation.

Local government services generate considerable public interest and the level of interest is related both to service quality and to the process of service delivery. Citizens seek engagement and participation in the process of local service delivery and care must be taken when contracting to preserve such opportunities for citizen involvement. Citizen interest was measured on a scale of low (1) to high (5). Averaged across all cases of service delivery, citizen interest is moderate (average 3.05). The services with the highest citizen interest are the same services as were high in asset specificity and contract management difficulty: crime prevention, emergency medical, fire prevention, police, and water distribution (Appendix Table 2). Such services should have low levels of contracting out. Other services with above average levels of citizen interest include recreation and libraries, waste collection, public health and inspection services, street repair, and snow plowing. Some of these services, such as waste collection and street repair, have high levels of contracting. This suggests that with experience, government managers can successfully contract out services with high public interest—especially if citizens can provide "eyes on the street" that assist with monitoring service quality. The lowest public interest is in support functions.

Table 2 provides the standard deviation of responses for each characteristic and one can see that there is a wide range in assessment across responding governments. This range is higher for citizen interest and competition than for asset specificity and contract management. Local government is responsive to citizen interest and local market conditions, and survey responses show these vary substantially across services. Correlations across the four measures are low, suggesting they capture distinct characteristics (correlations: asset specificity × contract management = .42; asset specificity × citizen interest = .35; asset specificity × competition = −.23; contract management × citizen interest = .31; contract management × competition = −.21; citizen interest × competition= −.21).

Understanding Differences by Metro Status

The service differences described above suggest variation by place. In Table 2, we report average levels for each of the four characteristics across all service cases differentiated by metro status. We can see that there are significant differences in the ranks given by metro, suburban, and rural managers regarding asset specificity and contract management. Rural managers tend to rank services as slightly more asset specific and slightly less difficult to manage contracts.

We see even larger differences by metro status in citizen interest. Citizen interest is highest among metro areas, lower in suburbs, and lowest in rural areas. This reflects the greater complexity of metropolitan service delivery. Congestion increases externalities and thus public interest in public services. Metro communities also face more heterogeneity of citizen interests. Rural areas, by contrast, have lower public interest in service delivery. Governments tend to provide fewer services in rural areas and the more sparse population reduces some of the externalities that urban congestion creates. The higher level of public interest in service delivery among metro municipalities may explain the lower levels of contracting we find among metro areas as compared with suburbs.

The most striking differences by metro status are in competition, which is highest among metro and suburban cases (average 1.7 to 1.8 providers) and much lower among rural cases (average 1.2 providers). The percentage of for-profit contracting is lower among rural cases than suburban cases (20% versus 23%). Private market competition is limited for many public services in rural areas, and thus the public market of intergovernmental contracting is an important alternative for rural areas whose level of intergovernmental cooperation is as high (20%) as that of suburban areas. Prior research has found that when rural areas lack competitive private markets they look to a public market of contracting with neighboring governments (Warner 2006, 2009; Warner and Hefetz 2002b, 2003). The metro cases show a lower level of both for-profit and intermunicipal contracting despite competition levels similar to suburbs. Higher levels of public interest in the service delivery process may reduce metro areas' interest in contracting out. Higher levels of labor opposition also might play a role as metro core areas tend to have higher rates of unionization. To test for differences by service and place, we conduct a multinominal logit regression model.

The Model

We use a probabilistic model, a baseline category multinomial regression that tests the relationship between service, market and citizen characteristics, and the actual sourcing

decision with additional attention to place and management characteristics. In this model, we include hypotheses on transactions costs, market competition, and place characteristics as previously outlined in table 1.[2] The model estimates are given in table 3, which provides four sets of estimates for the four alternatives in the study. Table 3 also provides the marginal effects, which are the change in probability as a result of a change in the variable value of plus or minus one standard deviation around the mean (or from 0 to 1 in the case of a dummy variable).

In terms of service characteristics, we see that asset specificity is not significant among any of the sourcing alternatives. Contract management difficulty is significant but only in the intergovernmental cooperation model. When contract management difficulty is higher, the probability to use intergovernmental contracts increases. The marginal effect of 10% is the highest effect in that model. Intergovernmental cooperation keeps the difficult to manage service public and thus keeps public control and public scrutiny high. This may be an example of the kind of agile civic market with cooperation at its core that Clark and Bradshaw (2004) describe for difficult to manage services.

In terms of market characteristics, we see that competition is the most important variable in our models with the largest impact among our top three sourcing alternatives. As hypothesized, more competition leads to less public delivery (−18%), less intergovernmental cooperation (−8.5), and more for-profit sourcing (+20%). Competition has no impact on nonprofit delivery. Governments often contract out to a single nonprofit monopoly provider.

2 The probability for a place to provide a service by alternative method j is set to a multinomial logit form, which generalizes the binary case:

1) $p_{ij}=\frac{e^{x_i'\beta}}{1+e^{x_i'\beta}}$, into the multinomial case:

2) $p_{ij}=\frac{e^{x_i'\beta_j}}{1+\sum_j^J{}^1 e^{x_i'\beta_j}}$, or in logistic units: $\log\left(\frac{p_{ij}}{p_{ij}}\right)=x_i'\beta_j$, where i = place × service = $1, 2, \ldots, n$ and j = sourcing methods: public, intergovernmental, for-profit, nonprofit, other. Other includes all other cases (unspecified or combinations of three or more options) but these do not have meaning for our study and are not reported. Estimates for each reported sourcing choice give the probabilities of that choice. X is an $i \times j$ matrix of known characteristics described above, and β_j is a vector of unknown parameters to each alternative j to be estimated by the model. The log-likelihood of this model is then:

3) $L=\sum_{i=1}^{N}\sum_{j=1}^{5} n_i \log\left(\frac{e^{x_i'\beta_j}}{1+\sum_j^J{}^1 e^{x_i'\beta_j}}\right)$, for every choice j by place × service i. Thus, by maximizing the log likelihood over the set of unknown parameters we get the estimates for these parameters. In particular, the choice of a particular sourcing method is conditioned by service, market, management and place characteristics. The model prediction is that a place chooses to provide a service by a particular method if it shows the highest probability among all alternatives.

4) $p_{ij} > p_{im}\, j,\ m \subset J$, where j and m are paired choices, which belong to the set of alternatives J. The model prediction is based on the rule described in (4).

Table 3
Multinomial Logit Model Results

Delivery Method	Variable	Parameter Estimate	Marginal Effect (%)
Direct public	Intercept	2.274*	
	Asset specificity	0.017	−0.2
	Contract management difficulty	0.029	−6.0
	Citizen interest	−0.080*	−2.5
	Market competition	−0.317*	−18.1
	Metro core	0.268*	11.1
	Rural	0.313*	1.0
Intergovernment cooperation	Intercept	0.992*	
	Asset specificity	−0.041	−2.0
	Contract management difficulty	0.229*	10.2
	Citizen interest	−0.046	1.2
	Market competition	−0.470*	−8.5
	Metro core	−0.583*	−8.3
	Rural	0.240	−0.9
For-profit	Intercept	0.871*	
	Asset specificity	0.079	2.8
	Contract management difficulty	−0.068	−3.5
	Citizen interest	−0.089*	−0.9
	Market competition	0.072*	20.2
	Metro core	−.229	−4.2
	Rural	.314*	0.3
Nonprofit	Intercept	−1.390*	
	Asset specificity.	−0.121	−0.3
	Contract management difficulty	0.137	0.2
	Citizen interest	0.057	0.8
	Market competition	−0.029	1.1
	Metro core	0.924*	2.0
	Rural	0.911*	1.3
Pseudo-R^2	0.13		
Likelihood test	$\chi^2 = 560.8$; $p < 0.00$		
N	4,745		

Source: Author analysis ICMA Alternative Service Delivery survey 2007, ICMA Service Characteristics survey 2007, Washington, DC.
Note: * means significance level at $p < .05$.

Citizen interest is significant only in two models—direct public sourcing and for-profit sourcing, and in both cases it is negative. Services that have a high level of public interest are less likely to be sourced publicly or via for-profit contracts. This result supports our hypothesis regarding for-profit contracting, but does not support our hypothesis on public delivery. Services with the highest citizen interest (such as human services and culture and arts) are often provided via nonprofits and intergovernmental cooperation. Although there is no significant effect of citizen interest in the intergovernmental cooperation and nonprofit models, there may be enough outsourcing of the highest public interest services to cause

direct public sourcing to be negative. The other high public interest services are in the police and fire categories, and these are almost always sourced publicly.

Place characteristics are important in all four sourcing alternatives. Metropolitan places are significantly more likely to source internally (11%) and less likely to use intergovernmental cooperation (−8.3%). This is because metro core municipalities already enjoy economies of scale that make intergovernmental cooperation less attractive. Metropolitan places are also more likely to use nonprofit delivery than suburbs—because they have the diversity of nonprofit agencies from which to choose. Rural areas are more likely to use nonprofit delivery as well. Interestingly, rural areas are slightly more likely to use for-profit delivery (+0.3% as compared to suburbs) when the level of competition is controlled. This shows rural willingness to privatize when competition is not a problem.

Overall, we see competition and metro status are the variables with the greatest importance across our models. This shows that local government sourcing decisions differ significantly by place. Models focused primarily on transactions costs based on service characteristics miss these important differences. Asset specificity is not a significant determinant of sourcing choice, and contract management difficulty is only significant under intergovernmental cooperation. This reflects the importance of intergovernmental cooperation as a means to manage services where it is difficult to specify and monitor contracts. Competition is the most important characteristic determining sourcing choice. Metro status is the next. Citizen interest is important as well. These results suggest the need to expand earlier theoretical models based primarily on service characteristics and give more attention to place and market characteristics.

Model Predictability

Next, we look at model predictability and find that the model shows close probabilities with regard to the actual observed sourcing frequencies by metro status as shown in Table 4. This analysis presents the average core metro, suburb, and rural place probabilities to use any one of the alternatives. Rural predictions are quite similar to actual frequencies. The major differences between actual and predicted values are found among suburbs and metro core municipalities. Higher use of direct public sourcing is predicted under metro core than is actually found. By contrast, lower use of intergovernmental cooperation is predicted than found among metro core and suburbs. Intergovernmental cooperation can substitute for direct public delivery. Like direct public delivery, intergovernmental cooperation helps with contract management and monitoring and can be used to address problems with inadequate competition and contract management difficulty. However, it offers the advantage of economies of scale—a benefit over direct public sourcing—especially for suburbs.

We expand this *ex ante* analysis to explore differences across the scales of transactions costs, competition, and citizen interest measurements by metro status based on the predicted probabilities for each case. In this analysis, we calculate the average predicted probability across all cases distinguished by delivery method chosen and rank given to each characteristic. This allows us to see how changes in the rank level of each characteristic are related to changes in the distribution of the four sourcing alternatives (figure 1).

Asset specificity was not significant in the full model, and we see here that the level of direct public delivery is stable regardless of the level of asset specificity across all metro types. For metro core places, the level of public delivery is higher across all levels of asset specificity, but there is a slight shift from for-profit delivery to intergovernmental

Table 4
Observed Versus Predicted Probabilities of Sourcing Decisions by Metro Status

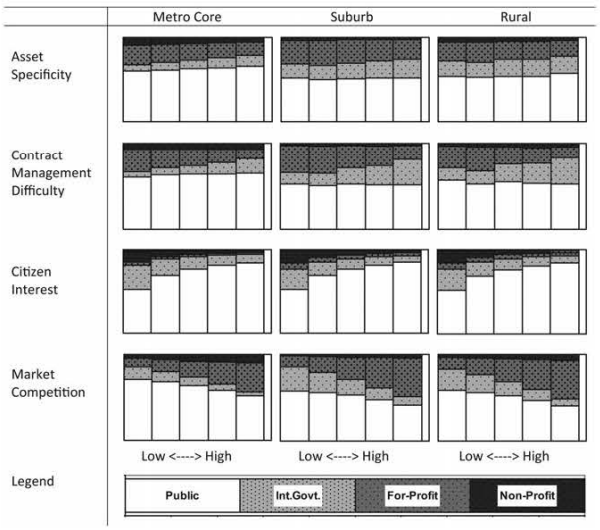
	Direct Public (%)	Intergovernment Cooperation (%)	For-profit (%)	Nonprofit (%)
Metro core				
Observed percentage	54.7	11.8	16.6	7.3
Predicted probability	57.8	9.7	16.9	6.5
Suburb				
Observed percentage	44.6	19.6	23.0	3.0
Predicted probability	46.3	17.3	23.6	2.8
Rural				
Observed percentage	49.1	19.5	19.9	4.9
Predicted probability	50.5	18.7	20.1	4.3

Source: Author analysis based on predicted results from multinomial logit models versus observed data.

cooperation as manager's assessments of asset specificity rise. For suburbs and rural areas, use of intergovernmental cooperation and for-profit delivery is remarkably stable as asset specificity rises. This suggests that when asset specificity is high the locality is stuck with the alternative chosen and shifting to another alternative is difficult.

The picture is different for contract management. When contract management difficulty is ranked higher, the level of intergovernmental cooperation is higher and the level of for-profit sourcing falls. This substitution between public and private market alternatives is interesting. We see greater preference for a public market of cooperation under conditions of difficult contract management than for a private market. The level of direct public sourcing remains flat.

Figure 1
Predicted Distribution of Sourcing Decisions across Characteristics by Metro Status.
Source: Author Analysis based on predicted results from multinomial logit model



Where citizen interest is ranked higher we see an increased preference for direct public sourcing. However, intergovernmental cooperation is the next most common sourcing alternative. This reflects the benefit of a public market of cooperation when public interest is high. For-profit contracting is uncommon under conditions of high public interest.

When market competition is higher, direct public sourcing as well as intergovernmental cooperation are much lower. For-profit sourcing rises dramatically. Nonprofit sourcing rises slightly for metro and rural places. This confirms theoretical expectations that private market sourcing would increase with competition.

Overall, this analysis supports our hypotheses regarding the relationship between service, market, and citizen characteristics on the sourcing decision. It shows the special role of intergovernmental cooperation as a sourcing alternative and the dramatic importance of competition. Overall, we see that local governments pursue a pragmatic approach to service sourcing and balance the contracting decision with careful assessment of service, market, and citizen characteristics. Our results confirm that a broader theoretical perspective than that offered by service characteristics alone is needed.

Unpacking Place Characteristics: Management, Political and Labor Concerns

To better understand differences by place, we added variables for organization (council manager form of government), economic condition (fiscal stress), politics (political climate favoring less government, active citizen group favoring privatization), and labor power (line employee opposition and restrictive labor contracts). These additional variables come from the ICMA ASD survey and vary by place but not by service.[3] Because there are only 118 different values for these variables, they may be estimated with too much power, and thus we treat this supplemental analysis with more caution than our original model. We present the results because they demonstrate the important role of management.

Our first estimation simply adds these variables to our original model. Even though council manager was only significant in the nonprofit model, we noticed that some other variables shifted and we wondered if there was a more subtle role being played by professional management. So, we split the sample into those governments without a professional manager and those with a council manager and found some important differences (table 5).

Our original model results (from Table 3) still hold regarding higher use of direct public delivery and intergovernmental cooperation under conditions of low market competition. However, competition was no longer significant in the for-profit model. This may be because professional managers have learned to manage in situations of low competition (as shown by Johnston and Girth forthcoming), and governments without professional management may not yet recognize the problems with lack of competition in for-profit markets.

Contract management difficulty and citizen interest continue to be significant as well, but we notice a professional managerial effect on these variables. Contract management difficulty led to less for-profit delivery in the model of governments without professional managers, but had no effect in the model with council managers. It is possible to learn how to deal with contract management problems, and thus governments with professional managers do not

3 Means and standard deviations for these supplemental variables are: council manager (mean = 0.75, SD = 0.43), fiscal stress (mean =0.33, SD =0.47), political climate favoring less government (mean = 0.10, SD = 0.31), active citizen group favoring privatization (mean= 0.03, SD = 0.16), line employee opposition (mean= 0.32, SD = 0.47), restrictive labor contracts (mean= 0.26, SD = 0.44).

Table 5
Expanded Model Results

	Direct Public			Intergovernment Cooperation			For-profit			Nonprofit		
	All	w/o CM	w/CM	All	w/o CM	w/CM	All	w/o CM	w/CM	All	w/o CM	w/CM
Intercept	2.734*	2.644*	2.773*	1.345*	1.634*	1.405*	1.270*	2.319*	1.016*	−.543	.264	−1.396*
Asset specificity	.052	.090	.003	−.004	−.034	−.033	.100	.015	.077	−.082	−.018	−.148
Contract management difficulty	−.050	−.152	.001	.095	−.088	.162*	−.175*	−.555*	−.037	.055	−.213	.201
Citizen interest	−.100*	−.080	−.115*	−.037	.102	−.122	−.100*	.072	−.159*	.000	.018	−.009
Competition	−.351*	−.408*	−.362*	−.470*	−.438*	−.539*	.054	−.073	.069	−.071	−.118	−.088
Metro core	.270*	1.432*	.227	−.434*	.147	−.328	−.229	.503	−.115	.984*	1.758*	1.047*
Rural	.095	−.566	.316	.281	−1.042*	.718*	.298	−.859	.675*	1.100*	−16.201	1.685*
Council manager	−.092			−.103			−.024			−.525*		
Fiscal stress	−.206	−.167	−.200	−.608*	−.682	−.436*	−.361*	−.788*	−.158	−.383	−.811	−.206
Political climate for less government	.524*	−1.684	.578*	.130	16.313*	−.060	.507	17.385*	.313	.306	−.554	.294
Active citizen favoring privatization	−1.059*	1.564	−1.125	−.549	−17.493*	.438	−.573	−16.972	−.434	−2.732*	−.131	−21.194
Opposition from line employees	−.238	2.300*	−.522*	−.031	2.263*	−.306	−.251	1.593*	−.575*	−.098	1.613*	−.250
Restrictive labor contract	−.062	−2.192*	.121	.389*	−1.651*	.521*	.360*	−1.072*	.488*	.345	−1.157*	.474
N	3,597	898	2,699	3,597	898	2,699	3,597	898	2,699	3,597	898	2,699

Source: Author analysis of ICMA Alternative Service Delivery survey 2007 and ICMA Service Characteristic survey 2007, Washington, DC.
Note: Model 1—All governments; Pseudo $R^2 - 0.15$; likelihood test, $\chi^2 - 538.62$, $p < .00$; model 2—governments without council manager; pseudo $R^2 - 0.26$, likelihood test, $\chi^2 - 254.59$, $p < .00$; model 3—governments with council manager; pseudo $R^2 - 0.17$, likelihood test, $\chi^2 - 451.20$, $p < .00$. Cells with * mean significance level at PV < 0.05, citizen interest in for-profit model 'All' is significant at PV < 0.055.

lower their for-profit contracting rates. Recognition of greater contract management difficulty led to more cooperation among governments with professional management.

Similarly, professional managers are more likely to recognize the importance of citizen interests. Careful attention to citizen interests in the process of service delivery leads professional managers to use less for-profit delivery and less public delivery. For governments without professional managers, citizen interests are not significant in any of the models. Thus, it appears that sensitivity to citizen interests in the service delivery process is something primarily seen by professional managers. Citizen interests are not significant in any of our nonprofit models.

Another important effect of professional management is the impact it has on rural governments' use of alternatives. Intergovernmental cooperation, for-profit and nonprofit delivery are all higher among rural governments in the council manager models, but intergovernmental cooperation is lower among rural governments without professional managers. Using alternatives to direct public delivery requires professional skills, and governments with professional managers are more likely to have these skills.

Our remaining variables address fiscal stress, politics, and labor opposition. Fiscal stress leads to less for-profit delivery among governments without managers, and less cooperation among governments with managers. This may show the limited ability to innovate under conditions of fiscal stress.

Political climate favoring less government leads to more intergovernmental cooperation and for-profit delivery among governments without managers, but has no effect on governments with managers.[4] Similarly, an active citizen group favoring privatization leads to less cooperation among governments without managers and has no effect on governments with managers. Governments without managers are more responsive to political climate and active citizen organization, whereas governments with managers are more responsive to the subtle ways in which citizen interests are embedded in service delivery processes.

The labor variables show that governments with managers respond to labor opposition by using less for-profit delivery but they also use less public delivery. By contrast, governments without managers respond to labor opposition by using more of each of our service delivery alternatives: for-profit delivery, intergovernmental cooperation, and non-profit delivery. However, restrictive labor contracts make it less likely that governments without managers will pursue alternatives but more likely that governments with managers will do so. The results of opposition and restrictive labor contracts work in opposite directions. Professional managers appear to be more responsive to labor opposition but also understand how to work around restrictive labor contracts to explore alternatives. Although these results must be treated with caution because of the extra power given these supplemental place and management variables, they do suggest the importance of professional management in managing contracts, citizen interests, political and labor issues.

These results are consistent with earlier research which finds that more professional city management, as found in the council manager form of government, may minimize the effect of politics on local decisions and lead to more experimentation with sourcing

4 The one exception to this is the positive impact of political climate for direct public delivery among governments with professional managers. This result suggests professional managers move beyond political climate to pragmatic considerations of service and market management—a result found in other work as well (Hebdon and Jallete 2008).

alternatives (Feiock and Kim 2000; Moon and deLeon 2001). Professional city managers balance technical aspects of service delivery with citizen interests and political concerns (Feldman and Khademian 2001; Nalbandian 2005; Svara 1998).

CONCLUSION

Transactions cost analysis has pointed to the importance of the nature of the service—asset specificity and the nature of the contract (management difficulty)—as characteristics that play a key role in determining the level of contracting. However, local government managers must also concern themselves with the nature of their local markets—supplier competition and public interest. We find the sourcing decision varies significantly by competition, citizen interest, and metro status. Our supplemental model shows that there is an important management effect determining sourcing choice. These results suggest that a wider framework for understanding local government sourcing decisions is needed.

More theoretical attention needs to be given to the differences between public market (intergovernmental cooperation) and private market (for-profit contracting) sourcing alternatives. These are the two most common sourcing alternatives to direct public delivery. But they convey different advantages. Private markets work best in situations of high competition and low citizen interest. Public markets perform better in situations where competition is lower and contract management difficulty is higher. Each complements direct public delivery and expands the sourcing choices available to local government managers.

As research moves beyond the dichotomy of public or private delivery and looks more closely at alternative sourcing options, attention must shift from a primary focus on service characteristics to broader concerns with market, citizen, place, and management characteristics. Market and management characteristics are especially important in explaining differences in sourcing decisions among local governments. Our results suggest that local government officials are smart contractors who are appropriately reluctant to contact out when they do not face competitive supplier markets. These data also suggest that research should give more attention to citizen interest and competition when studying the decision to contract out. Service characteristics alone do not explain the differences seen.

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APPENDIX 1

Definitions Used on Survey of Service Characteristics, 2007.

Specific Physical Infrastructure or Technical Expertise

Services that require special infrastructure (water pipes, treatment plants, ditch diggers) or technical expertise (legal, environmental) lead government managers to worry about lack of competitiveness in supplier markets and whether to maintain internal expertise or technical capacity. High asset specificity means the investments cannot be easily adapted to produce another service. Specific Infrastructure or Expertise was measured on a scale from low (1) to high (5).

Contract Specification and Monitoring

Services hard to specify in a contract or monitor are less likely to be contracted out, or require a higher level of performance management expertise on the part of government. Contract specification and monitoring is measured on a scale from easy (1) to difficult (5).

Public Interest in Service Delivery

For many services, the public is not interested in how the service is delivered, just that it is timely and of good quality. But for some services the public has a high degree of interest in the process of service delivery and opportunities for participation must be preserved. Public Interest was measured on a scale of low (1) to high (5).

Number of Alternative Suppliers

For many services, there is only one supplier, government. When contracting, competition is the key to cost savings and choice. Some governments face very limited markets of alternative suppliers, especially for some services. Competition was measured on the following scale: 0 = government only; 1 = one alternative provider; 2 = two alternative providers; 3 = three alternative providers and 4+ = four or more alternative providers.

APPENDIX 2

Table A1
Average Scores by Service and Metro Status: Asset Specificity and Contract Management Difficulty

	Asset Specificity				Contract Management Difficulty			
Service	All	Core	Suburban	Rural	All	Core	Suburban	Rural
Residential waste collection	2.91	2.80	2.85	3.19	2.17	1.88	2.28	2.23
Commercial waste collection	2.83	2.90	2.78	2.89	2.15	1.84	2.27	2.17
Waste disposal	3.81	4.12	3.69	3.72	2.82	3.03	2.73	2.77
Street repair	3.32	3.30	3.33	3.35	2.56	2.46	2.60	2.56
Street/lot cleaning	2.40	2.33	2.38	2.51	1.94	1.89	1.93	2.00
Snow plowing/sanding	2.70	2.35	2.70	3.00	2.37	2.23	2.42	2.38
Traffic sign maintenance	3.60	3.46	3.71	3.47	2.61	2.49	2.65	2.65
Parking meter maintenance	1.87	1.74	2.03	1.65	2.07	2.17	2.08	1.92
Tree trimming/planting	2.61	2.54	2.62	2.66	2.34	2.29	2.36	2.34
Cemeteries maintenance	2.26	1.91	2.14	2.87	2.07	1.97	2.13	2.06
Inspection/code enforcement	3.94	3.88	3.92	4.06	3.43	3.53	3.46	3.23
Lots/garages operation	2.18	1.97	2.27	2.23	2.04	2.27	2.00	1.84
Bus system maintenance	3.18	3.17	3.36	2.79	2.91	3.14	2.98	2.44
Paratransit system maintenance	3.10	3.21	3.05	3.05	2.92	3.03	2.96	2.62
Airport operation	3.99	4.34	3.72	4.12	3.47	3.75	3.40	3.25
Water distribution	4.45	4.54	4.45	4.35	3.50	3.63	3.55	3.19
Water treatment	4.45	4.47	4.47	4.35	3.54	3.64	3.57	3.33
Sewage collection/treatment	4.49	4.54	4.49	4.44	3.59	3.79	3.55	3.45
Sludge disposal	3.70	3.86	3.70	3.53	2.93	2.97	3.08	2.48
Hazardous materials disposal	4.14	4.21	4.20	3.93	3.56	3.59	3.60	3.41
Electric utility management	4.20	4.27	4.19	4.14	3.59	3.80	3.67	3.09
Gas utility management	4.11	4.25	4.16	3.83	3.55	3.82	3.59	3.05

Continued

Table A1 *(continued)*
Average Scores by Service and Metro Status: Asset Specificity and Contract Management Difficulty

Service	Asset Specificity				Contract Management Difficulty			
	All	Core	Suburban	Rural	All	Core	Suburban	Rural
Utility meter reading	2.88	2.56	3.00	2.93	2.37	2.26	2.47	2.25
Utility billing	3.03	2.86	3.03	3.24	2.45	2.37	2.52	2.37
Crime prevention/patrol	4.07	4.10	3.99	4.26	3.89	4.18	3.95	3.40
Police/fire communications	4.28	4.10	4.34	4.34	3.64	3.58	3.80	3.34
Fire prevention/suppression	4.35	4.32	4.39	4.30	3.64	3.80	3.74	3.18
Emergency medical service	4.40	4.42	4.37	4.47	3.42	3.47	3.50	3.13
Ambulance service	4.11	4.08	4.11	4.15	3.17	3.06	3.29	2.96
Traffic control/parking enforcement	2.91	2.64	2.96	3.13	2.77	2.55	3.00	2.43
Vehicle towing and storage	2.23	2.19	2.23	2.29	2.14	2.03	2.18	2.16
Sanitary inspection	3.24	3.47	3.16	3.21	2.93	3.19	2.82	2.90
Insect/rodent control	2.74	2.68	2.73	2.88	2.44	2.50	2.37	2.54
Animal control	2.98	2.97	2.96	3.03	2.83	2.79	2.81	2.94
Animal shelter operation	3.10	2.97	3.15	3.13	2.69	2.64	2.66	2.81
Daycare facilities operation	2.99	3.04	3.00	2.91	2.74	2.93	2.67	2.70
Child welfare programs	3.29	3.59	3.05	3.52	3.47	3.96	3.28	3.35
Elderly programs	3.00	2.91	3.03	3.03	2.99	3.19	2.97	2.83
Hospital operation/management	4.14	4.25	4.08	4.14	3.92	3.93	3.87	4.05
Public health programs	3.66	3.87	3.49	3.81	3.60	3.63	3.61	3.56
Drug/alcohol treatment programs	3.32	3.36	3.14	3.74	3.38	3.25	3.41	3.48
Mental health programs operation	3.63	3.92	3.43	3.79	3.53	3.54	3.48	3.65
Prisons/jails	4.09	4.41	3.84	4.32	3.73	4.21	3.56	3.57
Homeless shelters operation	2.65	2.53	2.69	2.73	2.92	2.83	2.96	2.91
Job training programs	3.09	3.19	2.93	3.39	3.05	2.94	3.03	3.26
Welfare eligibility determination	2.94	3.07	2.68	3.38	3.11	3.11	3.07	3.22
Recreation facilities maintenance	3.30	3.40	3.12	3.58	2.83	2.90	2.79	2.83
Parks landscaping/maintenance	2.90	3.03	2.71	3.19	2.47	2.49	2.48	2.44
Convention centers/auditoriums operation	3.27	3.55	3.19	3.13	3.02	3.07	3.02	2.96
Cultural/arts programs operation	2.79	2.69	2.72	3.18	2.87	2.91	2.87	2.76
Libraries operation	3.53	3.63	3.45	3.61	3.07	3.17	2.99	3.15
Museums operation	3.39	3.52	3.34	3.38	2.94	3.10	2.95	2.70
Buildings/grounds maintenance	2.94	2.93	2.88	3.11	2.45	2.40	2.41	2.59
Building security	2.78	2.50	2.82	3.03	2.37	2.24	2.43	2.38
Heavy equipment maintenance	3.66	3.51	3.71	3.71	2.71	2.85	2.63	2.71
Emergency vehicles maintenance	3.74	3.68	3.77	3.72	2.70	2.93	2.64	2.56
All other vehicles maintenance	3.39	3.28	3.40	3.48	2.61	2.75	2.56	2.58
Payroll	3.33	3.15	3.27	3.69	2.37	2.40	2.31	2.50
Tax bill processing	3.23	3.28	3.15	3.37	2.56	2.61	2.46	2.73
Tax assessing	3.72	3.77	3.64	3.86	3.02	3.09	3.08	2.79
Data processing	3.75	3.71	3.70	3.94	2.91	3.03	2.84	2.94
Delinquent tax collection	3.00	2.86	2.94	3.29	2.53	2.53	2.43	2.77
Title records/plat map maintenance	3.45	3.53	3.32	3.62	2.80	2.69	2.80	2.90
Legal services	4.20	4.15	4.17	4.34	2.90	3.15	2.83	2.79
Secretarial services	2.61	2.38	2.52	3.09	2.14	1.97	2.21	2.18
Personnel services	3.40	3.17	3.35	3.76	2.78	2.79	2.76	2.82
Public relations/public information	3.10	3.05	3.05	3.32	2.77	2.74	2.74	2.90

Source: Author analysis of ICMA Service Characteristics survey 2007. $N = 164$ places (41 metro core, 87 suburban, 36 rural). Scores ranked from low (1) to high (5).

APPENDIX 3

Table A2

Average Scores by Service and Metro Status: Citizen Interest and Market Competition

Service	Citizen Interest				Market Competition			
	All	Core	Suburban	Rural	All	Core	Suburban	Rural
Residential waste collection	3.61	3.56	3.70	3.44	2.59	2.66	2.82	1.94
Commercial waste collection	2.77	2.70	2.93	2.44	2.85	3.10	2.95	2.33
Waste disposal	2.80	2.83	2.83	2.69	1.69	1.59	1.92	1.28
Street repair	3.67	3.92	3.56	3.63	2.79	3.16	2.92	1.97
Street/lot cleaning	2.61	2.64	2.59	2.60	2.01	2.42	2.20	1.09
Snow plowing/sanding	3.54	3.48	3.58	3.52	1.76	1.90	1.90	1.32
Traffic sign maintenance	3.01	3.08	3.11	2.65	1.66	1.72	1.88	0.97
Parking meter maintenance	1.79	2.00	1.82	1.50	1.16	1.14	1.50	0.41
Tree trimming/planting	2.91	2.79	2.99	2.83	2.91	3.00	3.09	2.37
Cemeteries maintenance	2.39	2.35	2.29	2.61	1.63	1.84	1.72	1.23
Inspection/code enforcement	3.72	3.88	3.75	3.46	1.07	1.03	1.22	0.74
Lots/garages operation	1.98	2.14	2.00	1.71	1.83	2.09	2.10	0.88
Bus system maintenance	2.89	3.08	2.90	2.59	1.04	1.34	1.13	0.44
Paratransit system maintenance	2.91	3.00	2.90	2.81	1.23	1.38	1.38	0.62
Airport operation	3.10	3.56	2.96	2.81	0.68	0.52	1.00	0.22
Water distribution	3.99	4.24	4.00	3.65	0.79	0.78	0.94	0.45
Water treatment	3.91	4.14	3.91	3.63	0.88	0.83	1.08	0.39
Sewage collection/treatment	3.59	3.62	3.59	3.55	0.67	0.71	0.78	0.35
Sludge disposal	2.38	2.29	2.48	2.21	1.28	1.76	1.24	0.86
Hazardous materials disposal	3.13	3.29	3.14	2.88	1.51	1.66	1.69	0.85
Electric utility management	3.80	4.10	3.74	3.55	1.43	1.37	1.49	1.36
Gas utility management	3.54	3.82	3.49	3.32	1.40	1.32	1.50	1.23
Utility meter reading	2.48	2.44	2.60	2.19	1.35	1.55	1.43	0.89
Utility billing	2.82	2.89	2.95	2.38	1.54	1.91	1.59	0.96
Crime prevention/patrol	4.65	4.83	4.65	4.43	0.23	0.34	0.27	0.03
Police/fire communications	3.95	4.12	3.89	3.89	0.57	0.65	0.71	0.14
Fire prevention/suppression	4.33	4.39	4.41	4.06	0.41	0.33	0.41	0.52
Emergency medical service	4.40	4.53	4.40	4.23	1.23	1.16	1.32	1.10
Ambulance service	4.39	4.25	4.04	1.58	1.86	1.54	1.33	
Traffic control/parking enforcement	3.20	3.18	3.28	3.00	0.61	0.70	0.73	0.19
Vehicle towing and storage	2.11	2.11	2.16	1.97	3.18	3.42	3.17	2.94
Sanitary inspection	3.00	3.45	2.83	2.93	0.90	0.61	1.26	0.32
Insect/rodent control	2.78	3.06	2.74	2.54	2.30	2.61	2.50	1.33
Animal control	3.47	3.86	3.36	3.29	0.82	0.61	1.10	0.36
Animal shelter operation	2.94	3.22	2.83	2.84	1.28	1.40	1.36	0.97
Daycare facilities operation	3.14	3.32	3.02	3.26	3.44	3.70	3.30	3.52
Child welfare programs	3.13	3.45	2.92	3.26	1.36	0.96	1.76	0.83
Elderly programs	3.34	3.38	3.37	3.21	2.04	2.68	2.09	1.21
Hospital operation/management	3.85	4.11	3.63	4.10	2.32	2.52	2.60	1.41
Public health programs	3.37	3.70	3.23	3.31	1.21	1.28	1.39	0.73
Drug/alcohol treatment programs	2.81	3.11	2.70	2.70	2.66	3.15	2.66	2.13
Mental health programs operation	2.82	3.12	2.71	2.75	2.05	2.52	2.09	1.46
Prisons/jails	3.27	3.97	2.97	3.14	0.84	0.73	1.15	0.25
Homeless shelters operation	2.16	2.60	1.97	2.09	2.00	2.38	2.02	1.45
Job training programs	2.52	2.84	2.28	2.67	2.01	2.26	2.03	1.63
Welfare eligibility determination	2.25	2.68	2.05	2.21	0.81	0.70	1.07	0.33

Continued

Table A2 *(continued)*
Average Scores by Service and Metro Status: Citizen Interest and Market Competition

Service	Citizen Interest				Market Competition			
	All	Core	Suburban	Rural	All	Core	Suburban	Rural
Recreation facilities maintenance	3.91	4.03	3.81	4.00	1.51	1.64	1.75	0.81
Parks landscaping/maintenance	3.47	3.50	3.49	3.39	2.26	2.38	2.60	1.31
Convention centers/auditoriums operation	2.58	2.76	2.44	2.71	1.67	2.07	1.84	0.79
Cultural/arts programs operation	2.84	3.14	2.75	2.64	2.35	2.71	2.24	2.14
Libraries operation	3.83	3.83	3.85	3.75	0.60	0.74	0.65	0.32
Museums operation	2.77	2.94	2.82	2.38	1.63	1.70	1.68	1.38
Buildings/grounds maintenance	2.55	2.63	2.60	2.31	2.53	2.92	2.64	1.80
Building security	2.34	2.43	2.28	2.38	2.26	2.89	2.51	0.94
Heavy equipment maintenance	1.98	2.05	2.00	1.86	2.08	2.41	2.24	1.31
Emergency vehicles maintenance	2.38	2.51	2.43	2.06	2.08	2.48	2.18	1.34
All other vehicles maintenance	1.99	2.08	2.00	1.88	2.44	2.77	2.42	2.09
Payroll	1.64	1.71	1.60	1.66	1.96	2.35	2.07	1.21
Tax bill processing	2.61	2.83	2.56	2.47	1.04	1.06	1.24	0.52
Tax assessing	3.50	3.60	3.49	3.38	0.71	0.68	0.81	0.53
Data processing	2.01	2.08	1.94	2.12	2.28	2.50	2.58	1.26
Delinquent tax collection	2.33	2.39	2.30	2.33	1.68	2.32	1.83	0.63
Title records/plat map maintenance	2.29	2.28	2.28	2.31	0.78	0.87	0.92	0.40
Legal services	2.47	2.58	2.42	2.49	3.28	3.59	3.37	2.71
Secretarial services	1.66	1.58	1.71	1.62	2.68	2.86	2.76	2.29
Personnel services	1.93	2.03	1.89	1.91	2.03	2.49	2.00	1.62
Public relations/public information	2.78	2.87	2.69	2.90	2.31	2.55	2.44	1.63

Source: Author analysis of ICMA Service Characteristics survey 2007. $N = 164$ places (41 metro core, 87 suburban, 36 rural). Citizen interest ranked from low (1) to high (5), Competition ranked from no alternate providers (0), and one = one alternative provider, two = two, three = three, and four = four or more alternative providers.

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Раздел C. Темы для написания мини-эссе (на русском языке)

Выберите одну из предложенных тем (пожалуйста, прочитайте весь список перед выбором темы и укажите номер выбранной темы, например, «C2»). Рекомендуемый объем мини-эссе 2-4 страницы формата А4, не более 5 страниц.

C1. Охарактеризуйте основные черты, принципы и суть бюрократического управления, описанные Людвигом фон Мизесом. Что он подразумевал под бюрократическим самодовольством и как оно влияет на эффективность деятельности бюрократических структур?

C2. Какие основные принципы были сформулированы в концепции организационного управления и развития Филипом Селзником? Раскройте преимущества и недостатки предложенного им механизма кооптации для государственных организаций.

C3. Опишите теорию и основные положения концепции административного поведения, предложенной Гербертом Саймоном. В чем заключается принцип ограниченной рациональности применительно к государственным органам и организациям?

C4. В чем заключается концепция эффективного государственного управления Герберта Кауфмана? Какие типы административной децентрализации он выделяет? Какой, по его мнению, должна быть роль населения в процессе государственного управления?

C5. Раскройте основные принципы нового государственного управления, сформулированные Г. Джорджем Фредериксоном. Какие из разработанных им правил должно соблюдать новое поколение менеджеров в государственном секторе экономики?

Раздел D. Темы для написания мини-эссе (на английском языке)

For your essay, please choose any one of the suggested topics below (please read the entire list before selecting a topic and point out the number of the topic you choose, for example, «D3»). Recommended scope of your essay is about 2-4 pages A4, not more than 5 pages.

D1. Discuss the main modern HR-technologies, introducing now for civil servants in Russia. What are the main advantages and disadvantages of it? Which ones do you find the most challenging and why?

D2. How to measure the quality of public administration? Describe the well-known international tools (indexes, aggregate indicators, rankings, etc.). What are the main drawbacks of such metrics?

D3. Compare performance management techniques in Russia with the practices of some other countries. What are the main similarities and differences between it? What international experience could be useful for Russian civil service?

D4. Describe the current system of qualification requirements for civil servants in Russia. What are the modern trends and legislation changes in modifying this system? In what ways do you think the system could be improved?

D5. Define the key features of the risk-management approach, introducing now in supervisory functioning of executive authorities. What is the influence of such approach on public and non-public organizations? What restrictions and limitations does it have?