

Best Practices for Results Focused Government:

Results-Focused Leadership:

- Articulating a results-focused strategy
- Asking for Evidence
- Acting on evidence

Evidence Related Strategies

- Developing learning agendas
- Creating an evaluation policy
- Using rapid experimentation
- Making contracts and grants results focused

Performance Management

- Using performance information
- Implementing strategic planning
- Weaving a performance focus into budgeting
- Collaborating

Using Data

- Data sharing

LFC Staff will be working with agencies to rate their use of these best practices to implement results focused government.

Background:

- Though the pandemic negatively affected all economic and job growth in the state, the overall level of jobs created by EDD efforts has nearly recovered, while jobs created by EDD efforts in rural areas is actually slightly below pre-pandemic levels (Figure 1).
- The state’s primary business incentive program, the Local Economic Development Act (LEDA), created 3,058 new jobs in FY21, nearly double the level in FY20.
- However, the number of jobs created through individual LEDA awards varies greatly, resulting in inconsistent cost-per job figures (and return on investment) from month to month.

Job Creation:

- **Issue:** Rural job recovery lags: The number of jobs created by EDD is down by two-thirds since FY18.
- **Performance Trends:** To provide context to these rural figures, total jobs created through EDD increased in FY21 after plummeting in FY20 during Covid-19.
- **Follow Up:** In August, the department stated it would work with Tourism to strategize how best to use LEDA funds to support tourism-sector recovery. What progress has been made on this?
- **Questions:**
 - What specific plans does the agency have to improve rural job growth in FY22?
 - What specific steps has the department taken to provide retail businesses, including those in the tourism sector, with pandemic relief?
 - What specific plans does the agency have to improve rural job growth?

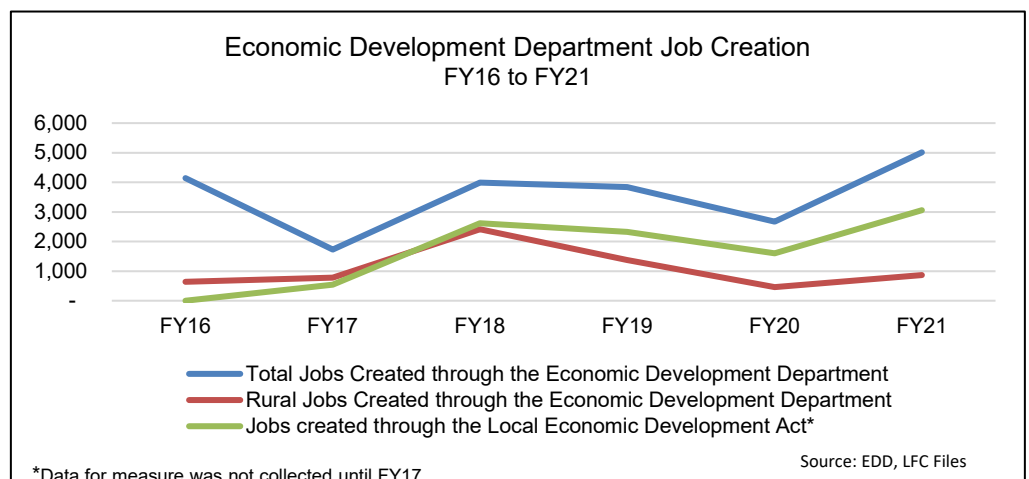


Figure 1.

Cost Per Job for LEDA Awards

- **Issue:** Legislative investment in LEDA has increased, but cost per jobs varies greatly between projects, indicating inconsistent award criteria.
- **Performance Trends:** The average cost per job for LEDA awards was \$15.6 thousand in FY21. However, the cost per job was as high as \$20.1 thousand per job in the second quarter – much higher than the \$8.8 thousand per job in the fourth quarter.
- **Questions:**
 - How will the department use incentive programs to help rural job growth in FY22?
 - What metrics does the department use to measure return on investment (ROI) on LEDA awards?
 - Why is there so much variance for cost per job of projects?

	JTIP	LEDA
FY15	\$5,300	\$5,000
FY16	\$6,000	\$10,400
FY17	\$12,563	\$29,200
FY18	\$8,839	\$4,025
FY19	\$8,144	\$13,272
FY20	\$4,541	\$39,688
FY21	\$6,643	\$15,663

Source: EDD & LFC Files

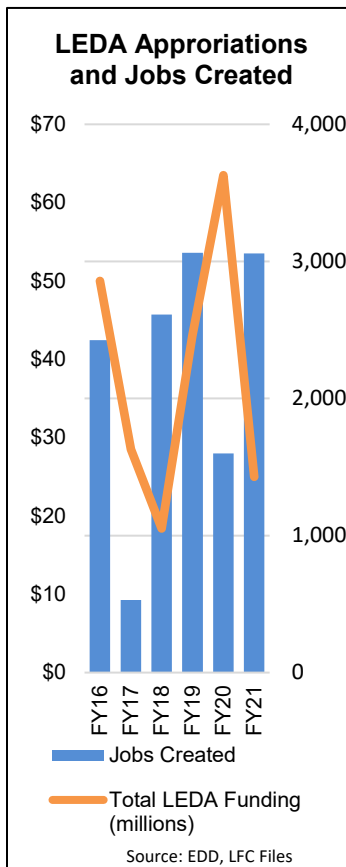


Figure 3.

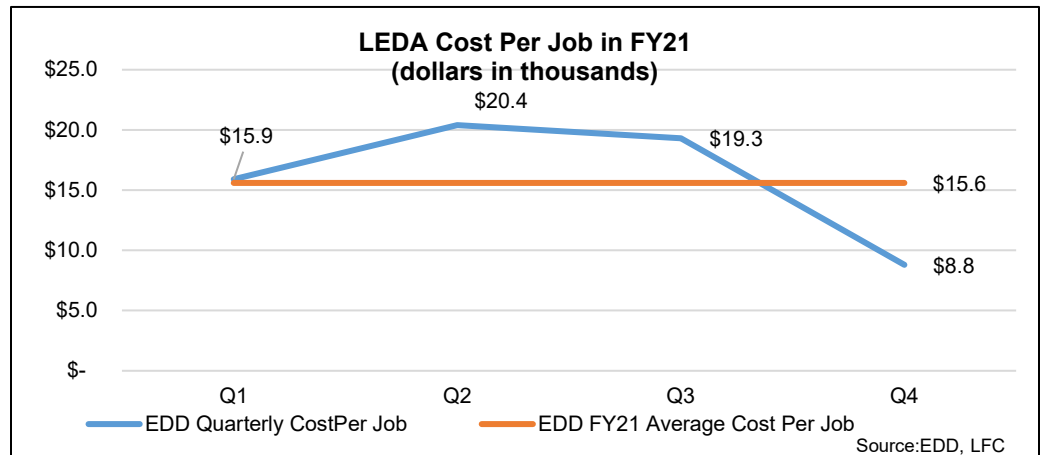


Figure 2.