

Gov-o-Metrics 2 Results

From the Gov-o-Metrics II Online Survey: December 2003 – January 2004

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EXECUTIVE SUMMARY

Public radio leaders recognize the importance of the essential functions of effective governance, and they feel their stations are performing pretty well on most of those functions.

The second round of SRG's Gov-o-Metrics survey reflects the latest thinking on governance issues in public radio. In the past year, station and national leaders have sought to increase their knowledge and raise the quality of discussion of these topics. Governance touches every facet of station operations and can shape a station's success or contribute to its struggles. Effective governance helps build stations that are stable and fiscally sound. It can also increase stations' level of civic engagement, which can, in turn, fuel fundraising efforts, inspire new community partnerships and deepen public service.

SRG's Gov-o-Metrics survey is the only broad measure of public radio leaders' perceptions of effective governance. This year's survey, conducted on-line December 2003 through January 2004, follows the successful launch of Gov-o-Metrics in December 2002. In the current survey, 224 respondents rank the importance of 15 attributes of effective governance and rate their stations' performance on the attributes. The attributes, developed with input from station leaders and guidance from an advisory board, can apply to any public radio governance structure. Analysis of the survey results shows several findings:

- **Everything's important. . .**
On a scale of one to five, with five being highest, none of the attributes averages lower than a score of 3.69. The highest average score was 4.76.
- **But some things are more important than others**
While all of the functions of effective governance are important, respondents rank some as significantly more important than others. Topping the list are those related to fiscal responsibility and daily operations of the station.
- **The dividing line – civic engagement**
The attributes ranked most important can be broadly characterized as those that can be achieved without the involvement of civic leadership.

Those ranked lower in importance can only be attained through active civic engagement.

- **Performance generally follows importance**

In general, those attributes rated as most important also receive the highest marks on performance. Survey respondents say stations perform best on those attributes related to fiscal control and daily operations. The weakest performance is on attributes related to board activities.

- **Survey two looks a lot like survey one**

The results from this year's survey are very similar to last year's survey. Several attributes move up in their importance ranking, but most receive essentially the same scores. Performance scores are up across the board but follow the same general pattern.

With a few exceptions (which are detailed below), there is broad agreement on the importance and performance rankings. The most notable exception was the perspective brought by board members who completed the survey. They place more importance on attributes related to their responsibilities, which provides an insightful re-ordering of the list. While managers and staff members focus on the internal workings of the station, the board members operate from a larger framework – providing a refreshing vantage point. The differing perspective of the board members underscores the division between attributes that require civic engagement and those that do not.

There is no right or wrong importance ranking of the traits, but the best-case scenario would see respondents shifting more attention to those at the lower end of the scale as they secure the framework for those at the top. The maturity of many public radio stations has already brought great progress on the indicators related to sound fiscal management and smooth daily operations. That progress provides a firm foundation for the next, needed steps in effective governance – building strong ties to the community through civic engagement. Not all stations will take these steps, especially those that are licensed to large multi-purpose institutions such as universities and state agencies. However, stations that reach beyond their own walls, regardless of license type, will find that concentrating on the attributes achieved through civic engagement will lift their organizations to new heights.

The Gov-o-Metrics survey is a useful tool for stations to chart their changing attitudes about governance and their performance on effective governance over time.

IMPORTANCE

The 15 attributes reflect the range of activities associated with governance. Respondents ranked them in three clusters.

Daily Operations – civic engagement not essential

The first cluster of attributes – those ranked most important – has to do with the daily operations of the station. These functions can be accomplished within the management structure of a station and without active civic engagement:

- Financial controls are in place, with standard budgeting, reporting and annual independent audit procedures.
- Station personnel control basic business functions, such as budget, development activities, personnel, membership data and purchasing
- Programming decisions made by broadcast professionals are protected from inappropriate intrusion.
- Organization remains stable, even in times of leadership changes or adversity.
- Station has a meaningful mission statement, appropriate and relevant to its situation.
- General Manager is able to make decisions with flexibility and speed.

The emphasis on these attributes indicates that respondents spend their time and resources on fiscal and management activities at their stations. This is not surprising, given the amount of money that has to be raised each year for continuing operations and the decisions that are made daily on programming issues. Managers, who make up the majority of respondents, are concentrating on the elements of effective governance that are squarely within their authority.

Big picture thinking – civic engagement helpful

The second cluster of attributes – those ranked in the middle of the survey – has to do with big picture thinking and operating frameworks and may or may not involve civic engagement:

- General Manager's interactions with governing body are productive and generally contribute to the station's success.
- Station operates with long-term planning rather than through situational or event-driven management.
- Public service to a broad listening community underlies all major decisions with respect to the station made by the governing body or management.

These attributes move away from the day-to-day operations of the station and into the areas where managers, in particular, have to interact with those outside the station walls – a governing board or a university administration – and think on

a larger scale. Long-term, strategic planning may be accomplished internally, but can benefit from an outside perspective. Station personnel can also define public service, but discussion with listeners, members and civic leaders could result in a more meaningful definition.

Building outside relationships – civic engagement required

The third cluster of attributes – those ranked least important – has to do with building relationships outside of the station and must be accomplished through engagement with civic leaders:

- All board members make personal contributions to the station—100% participation.
- Board encourages General Manager to be entrepreneurial and take appropriate risks.
- Board members set broad policies and empower staff to carry them out without board interference.
- Board makes decisions as a whole, not allowing small groups or factions to dominate.
- Station has a governing or advisory board that provides a direct link to the community of service, facilitating communications and accountability.
- All board members are willing to make in-person visits to potential donors to ask for contributions.

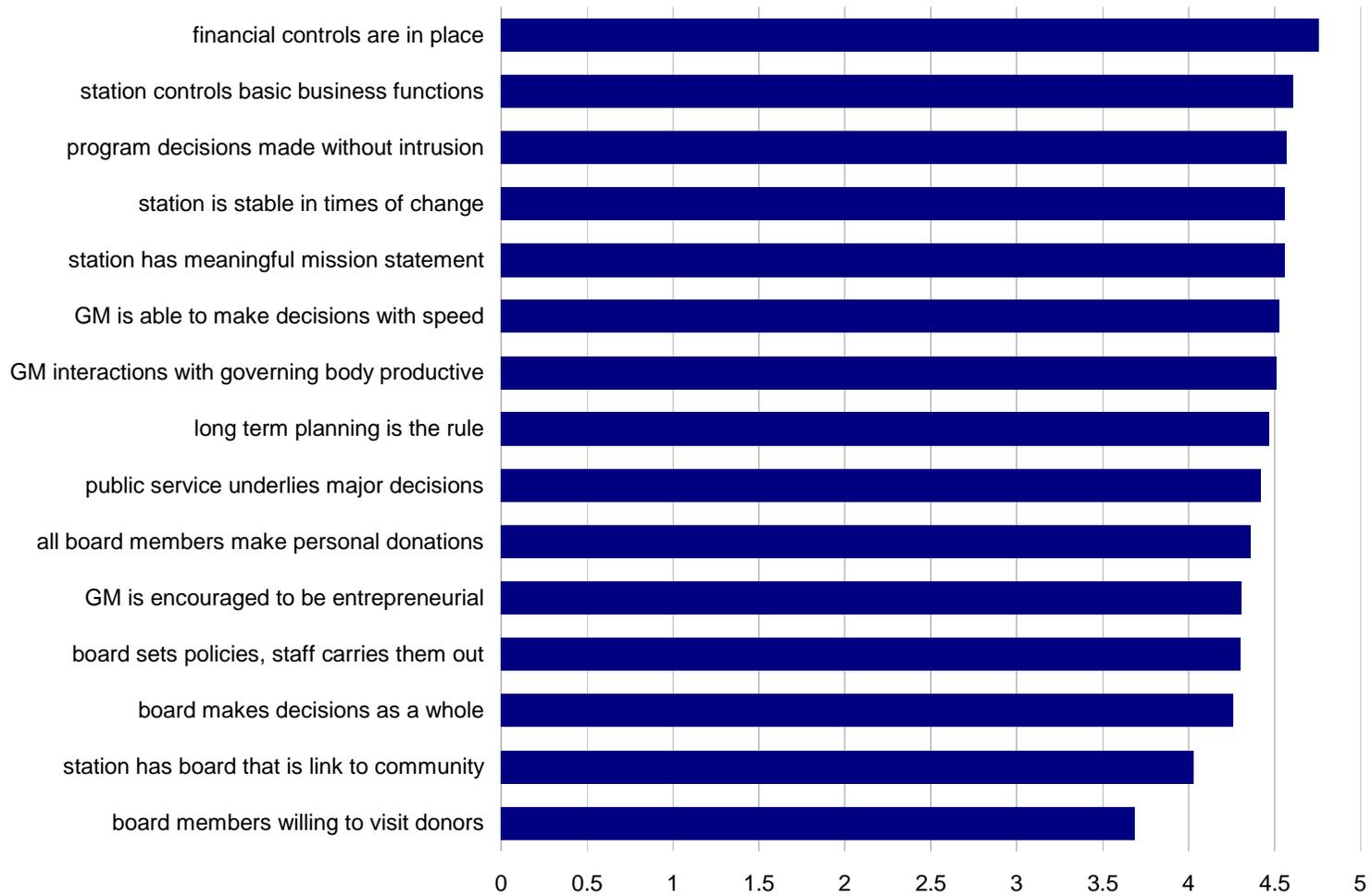
Not all stations have boards that are functioning solely to govern, fundraise or otherwise support station efforts. Responses from these stations lower the importance rankings of these attributes related to boards and civic engagement. Stations that are actively involved with boards – community licensees – place more importance on some of these low ranking functions. Overall, however, the attributes that require stations to work with community members are ranked least important. Particularly telling in this regard is the fact that respondents rank as second to last the attribute that says stations should have a board that provides a direct link to the community.

Conclusions

The importance rankings reflect a prevailing attitude in public radio that effective governance means having a governance structure that allows station personnel to manage the day-to-day operations without outside interference. The priorities exhibited are sound – good fiscal control, stability, appropriate programming decisions – but they also show station leadership that is comfortable operating within a bubble. The priority governance activities are, for the most part, internal, staff-driven and short-term. Lower priority attributes are outside the bubble of the station and are longer-term

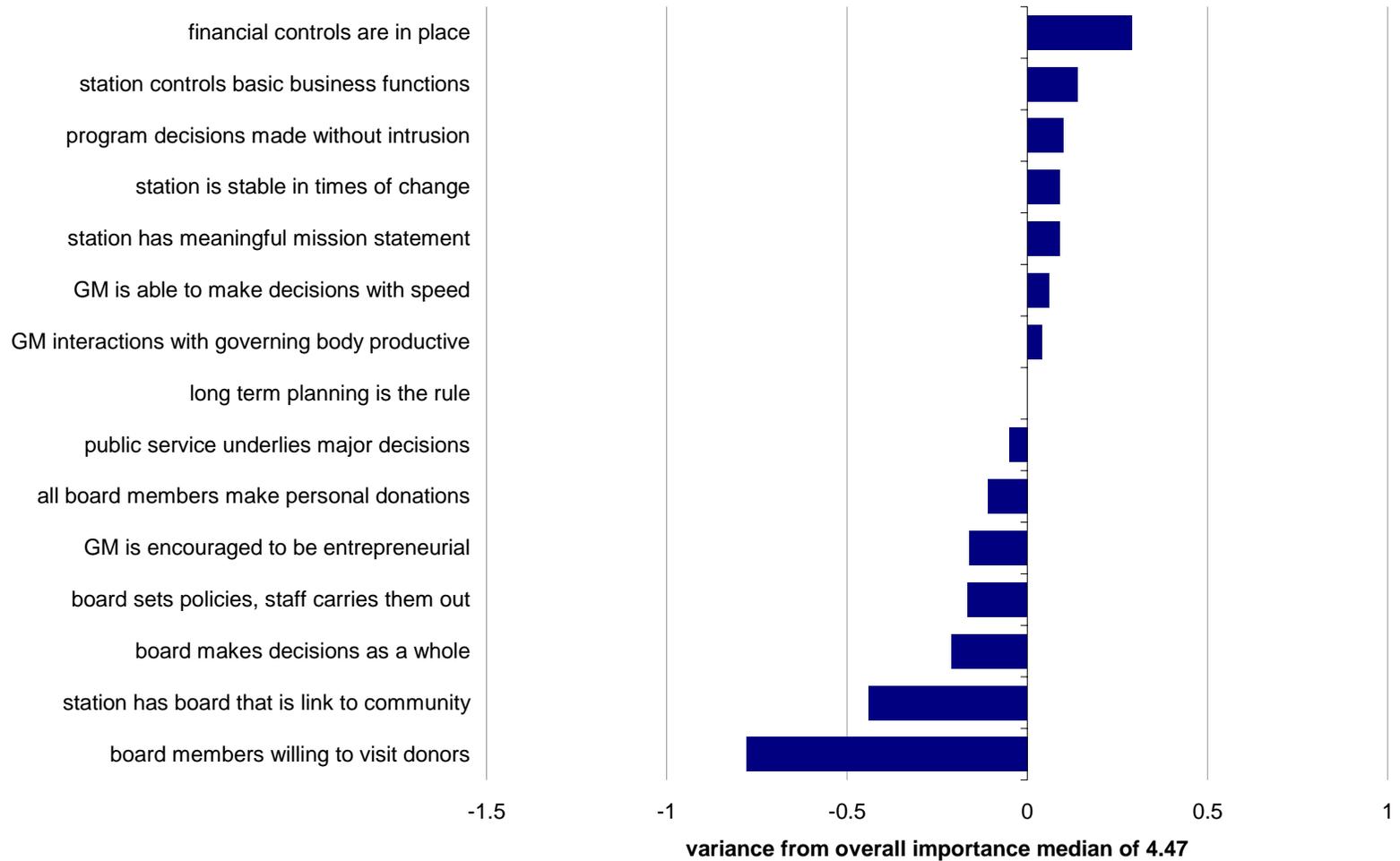
Importance: Gov-o-Metrics Survey 2

Chart #1



Importance: Gov-o-Metrics Survey 2

Chart #2



PERFORMANCE

On performance, the pattern shown in the importance rankings holds true – respondents rate the best performance on those attributes that can be accomplished without civic leadership and the weakest performance on those that require civic leadership. While there is some variation, it is most meaningful to examine the performance results in the context of the importance results, using the same groupings of attributes. The lowest score for performance is 2.80, the highest score is 4.53.

Daily operations

The first two attributes are ranked most important and highest in performance.

Very strong performance

- Financial controls are in place, with standard budgeting, reporting and annual independent audit procedures.
- Station personnel control basic business functions, such as budget, development activities, personnel, membership data and purchasing.

Other attributes in the first cluster also performed well:

Strong performance

- Programming decisions made by broadcast professionals are protected from inappropriate intrusion.
- Organization remains stable, even in times of leadership changes or adversity.
- Station has a meaningful mission statement, appropriate and relevant to its situation.

Moderate performance

- General Manager is able to make decisions with flexibility and speed.

Given the importance respondents place on these attributes, it follows that performance is also high. Respondents have worked hard on the business functions of their stations and have established the credibility needed with their governing bodies to make major programming decisions on their own. The attribute in this cluster that still needs improvement is the general manager's ability to make decisions with flexibility and speed – an area where the manager has to interact with a board or management structure.

Big picture thinking

The second cluster of attributes – those ranked in the middle of the survey – has mixed performance:

Moderate performance

- General Manager's interactions with governing body are productive and generally contribute to the station's success.
- Public service to a broad listening community underlies all major decision with respect to the station made by the governing body or management.

Poor performance

- Station operates with long-term planning rather than through situational or event driven management.

This cluster of attributes is also in line with its importance ranking. The exception is that long-term planning is ranked as important, yet its performance is poor. Perhaps because it requires station personnel to move away from the day-to-day to take time to plan and shape their vision for the organization.

Building outside relationships

The third cluster of attributes – those ranked least important – also receive the lowest ranking on performance:

Moderate performance

- Board encourages General Manager to be entrepreneurial and take appropriate risks.
- Board members set broad policies and empower staff to carry them out without board interference.

Poor performance

- Board makes decisions as a whole, not allowing small groups or factions to dominate.
- All board members make personal contributions to the station—100% participation.
- Station has a governing or advisory board that provides a direct link to the community of service, facilitating communications and accountability.

Very poor performance

- All board members are willing to make in-person visits to potential donors to ask for contributions.

The attributes related to having a board and to board activities are clearly not on the agenda for many stations, as indicated from the importance rankings. Consequently, the performance scores show that little time and effort are placed on these governance functions. Most notable in this cluster is that the attribute on board members making visits to potential donors is nearly a full point below the attribute above it.

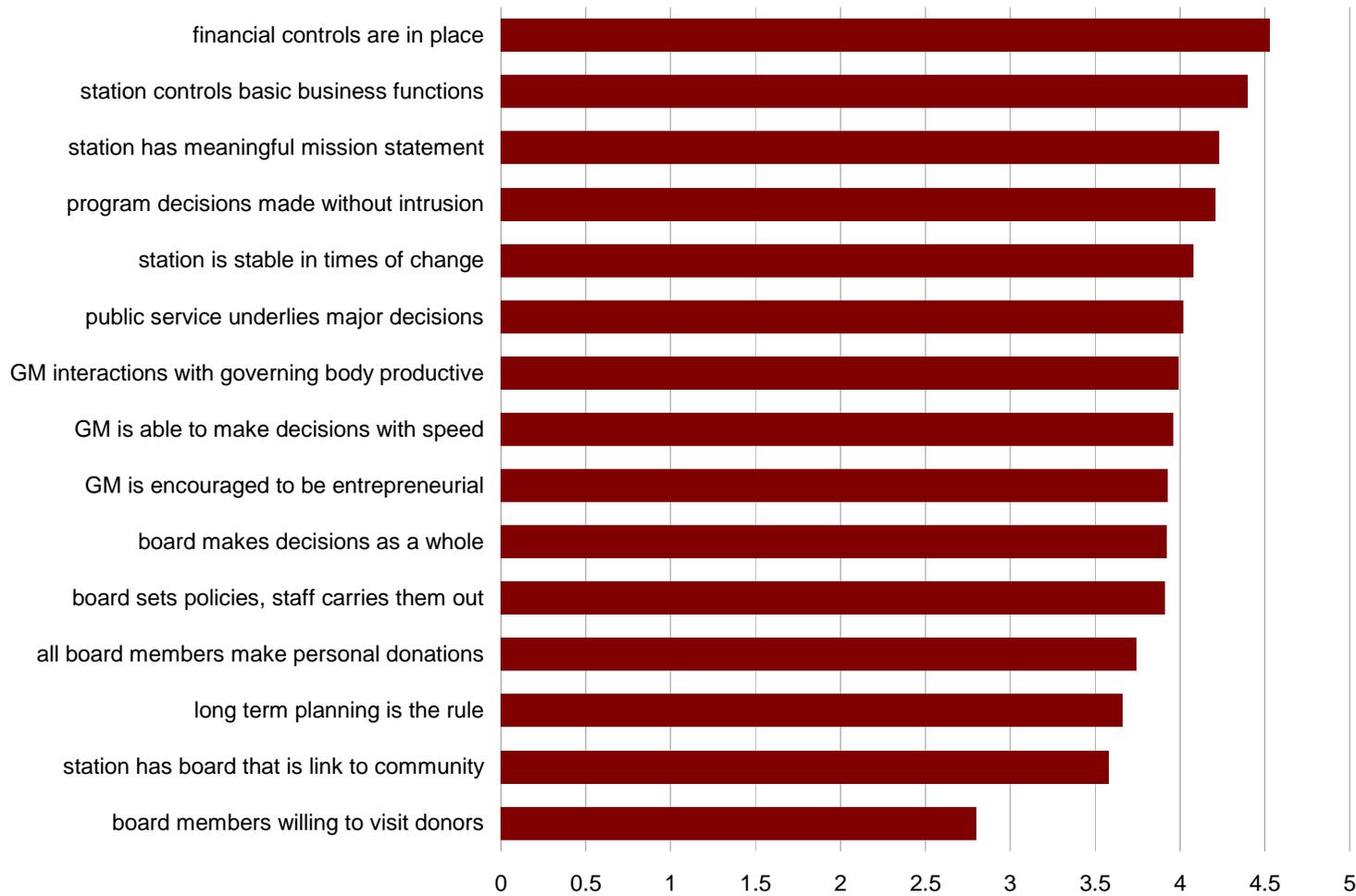
Conclusions

The performance scores show that stations have many opportunities for growth.

Performance is strong on the attributes related to daily operations, and stations should continue to increase their competencies in these governance functions. Stations have a greater distance to go in improving their long-term planning. This important activity guides the growth and shapes the vision of the organization and should not be shortchanged. The biggest area for improvement in performance is in the cluster of attributes related to boards. The most successful non-profit organizations are actively engaged with the civic leadership in their communities. Public radio stations can learn from these non-profits and focus more energy and resources on strengthening ties to their communities.

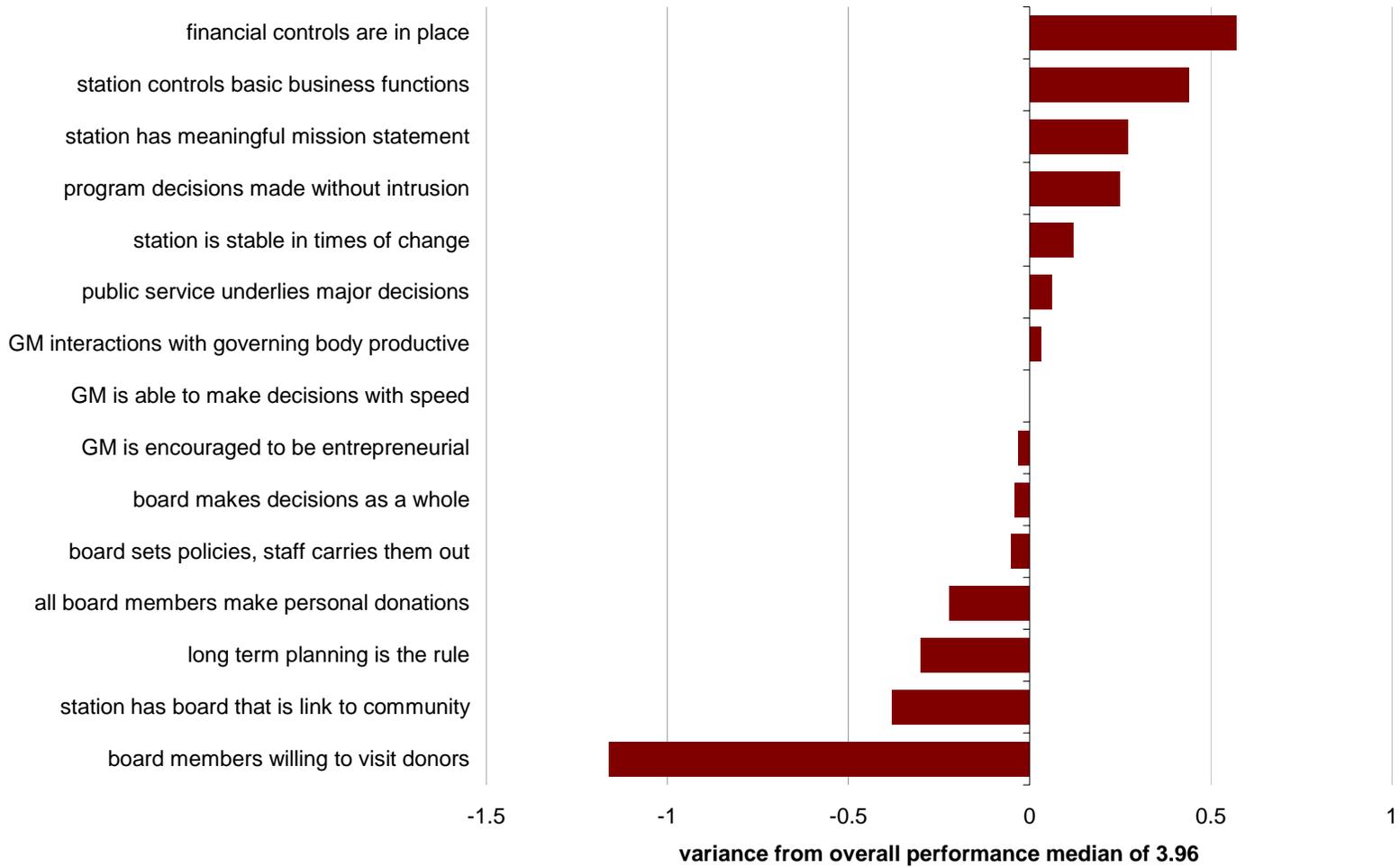
Performance: Gov-o-Metrics Survey 2

Chart #3



Performance: Gov-o-Metrics Survey 2

Chart #4



BOARD MEMBERS v. OVERALL RESULTS

While most survey respondents are in agreement on the importance rankings of the attributes, one group stands apart. Board members bring a different perspective to the rankings. Their top governance functions, in order, are:

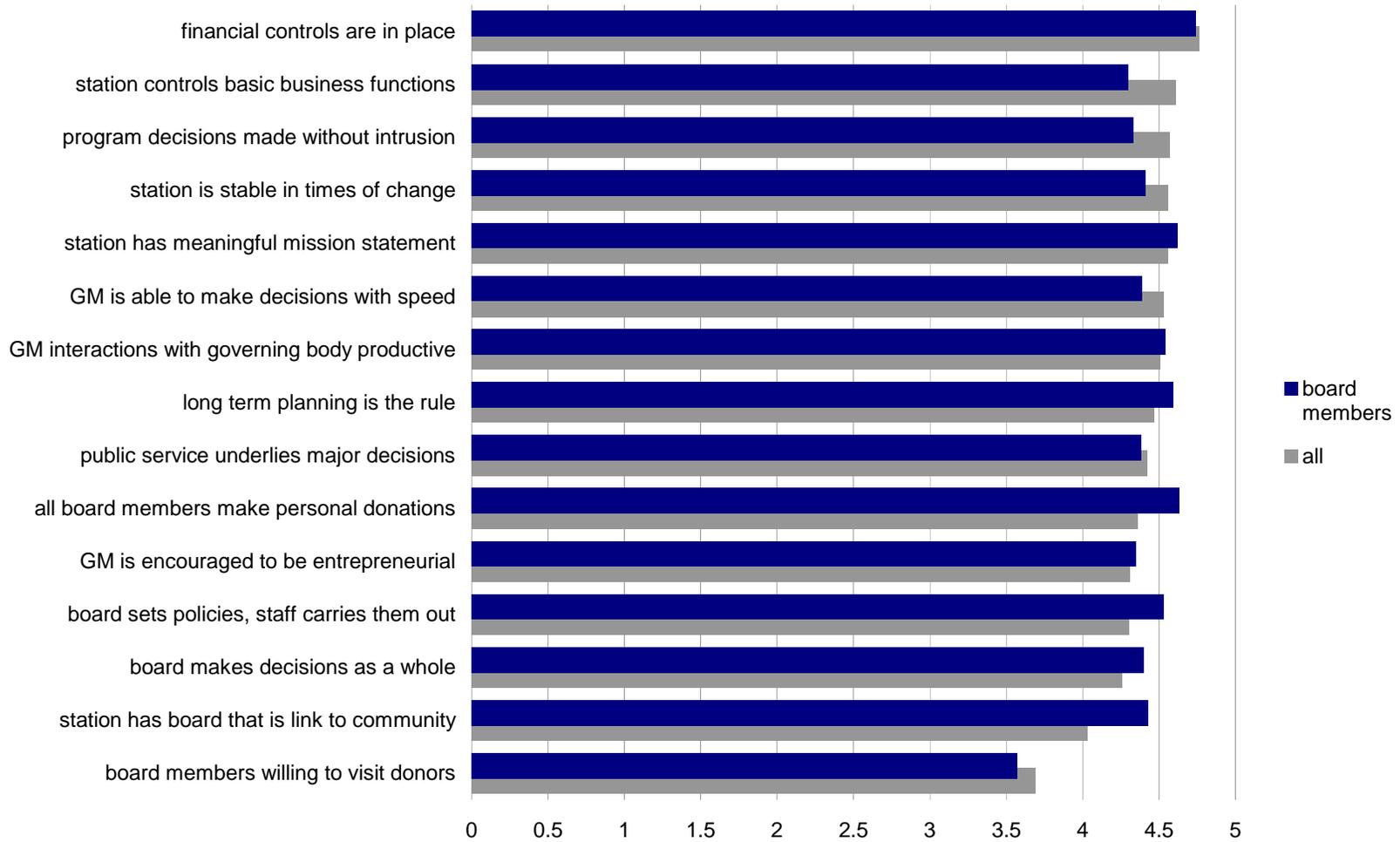
- Financial controls are in place, with standard budgeting, reporting and annual independent audit procedures.
- All board members make personal contributions to the station—100% participation.
- Station has a meaningful mission statement, appropriate and relevant to its situation.
- Station operates with long-term planning rather than through situational or event driven management.
- General Manager's interactions with governing body are productive and generally contribute to the station's success.
- Board members set broad policies and empower staff to carry them out without board interference.

The ranking reflects the board members' understanding of their roles and responsibilities in shaping and guiding the stations they serve. Governing boards, in particular, are called upon to ensure the fiscal soundness of their organizations, guide strategic planning and make broad policy decisions. The board members who responded to the survey have their priorities in the right order and have stressed the importance of personal giving, even when general managers and staff members have not.

Board members also present a more positive view on performance than the overall survey responses – they give higher scores on every attribute. This is consistent with earlier SRG research that has compared performance assessments by civic leaders and station professionals – the civic leaders consistently give stations higher marks than management and staff.

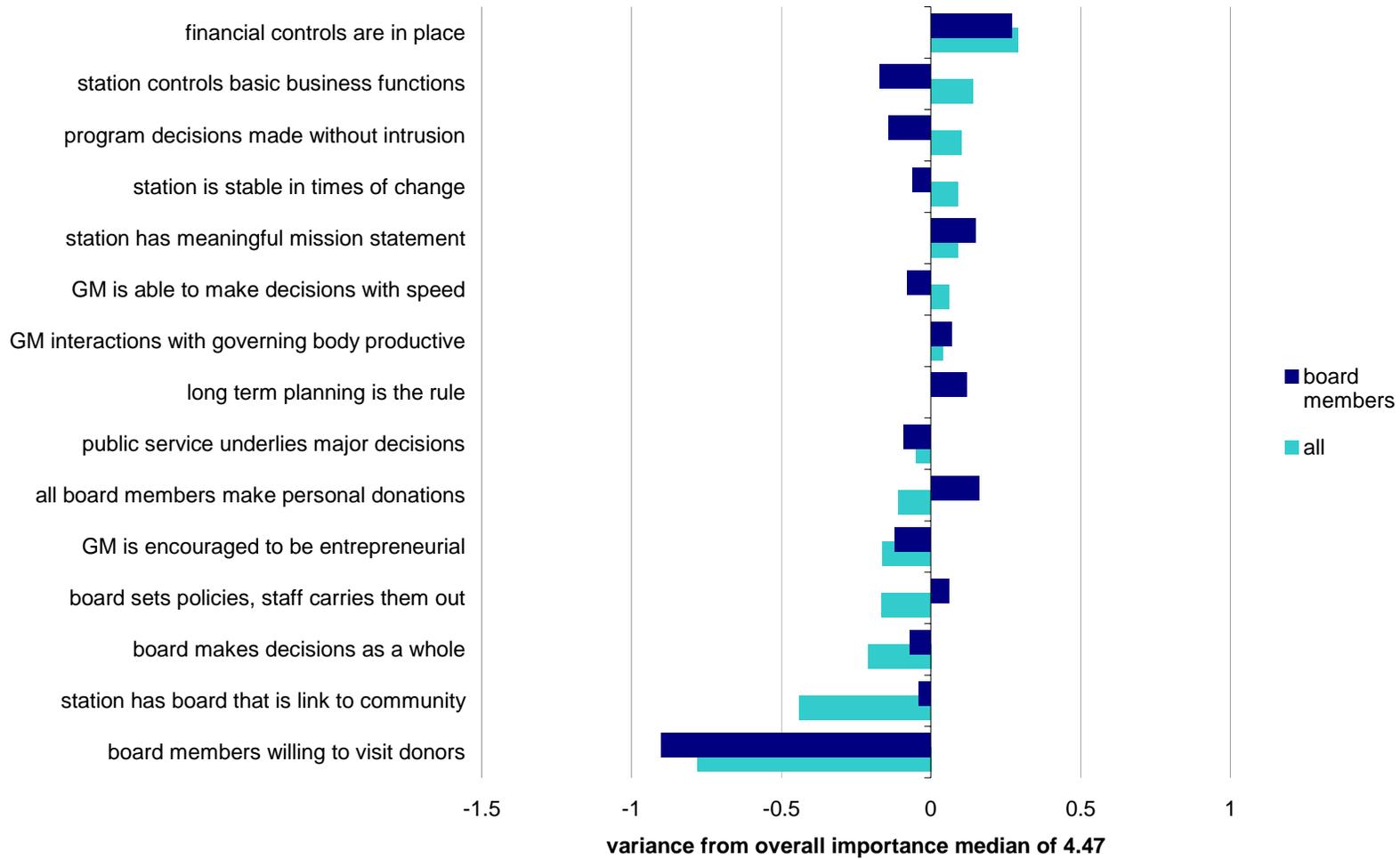
Importance: Board members vs. All

Chart #5



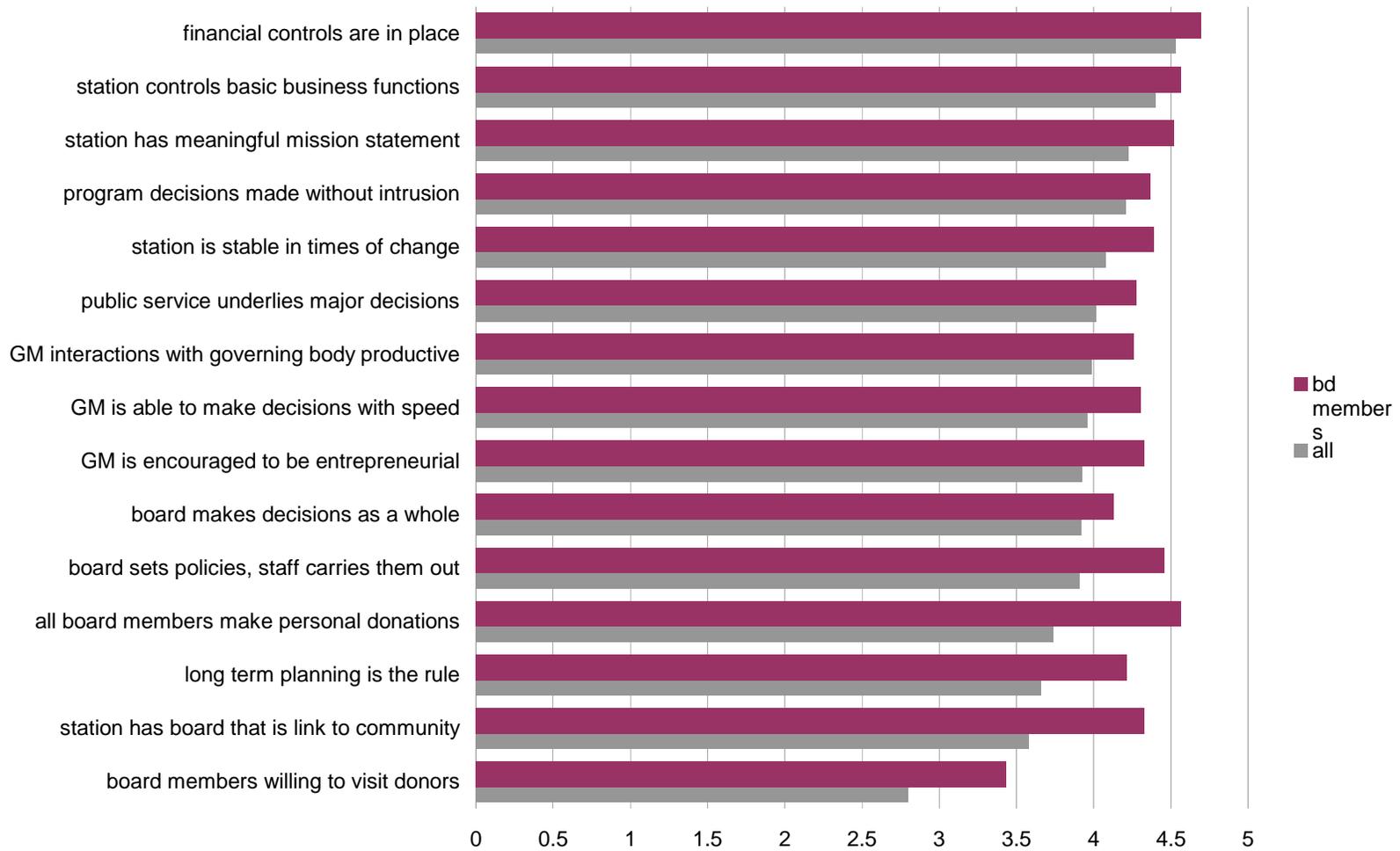
Importance: Board members vs. All

Chart #6



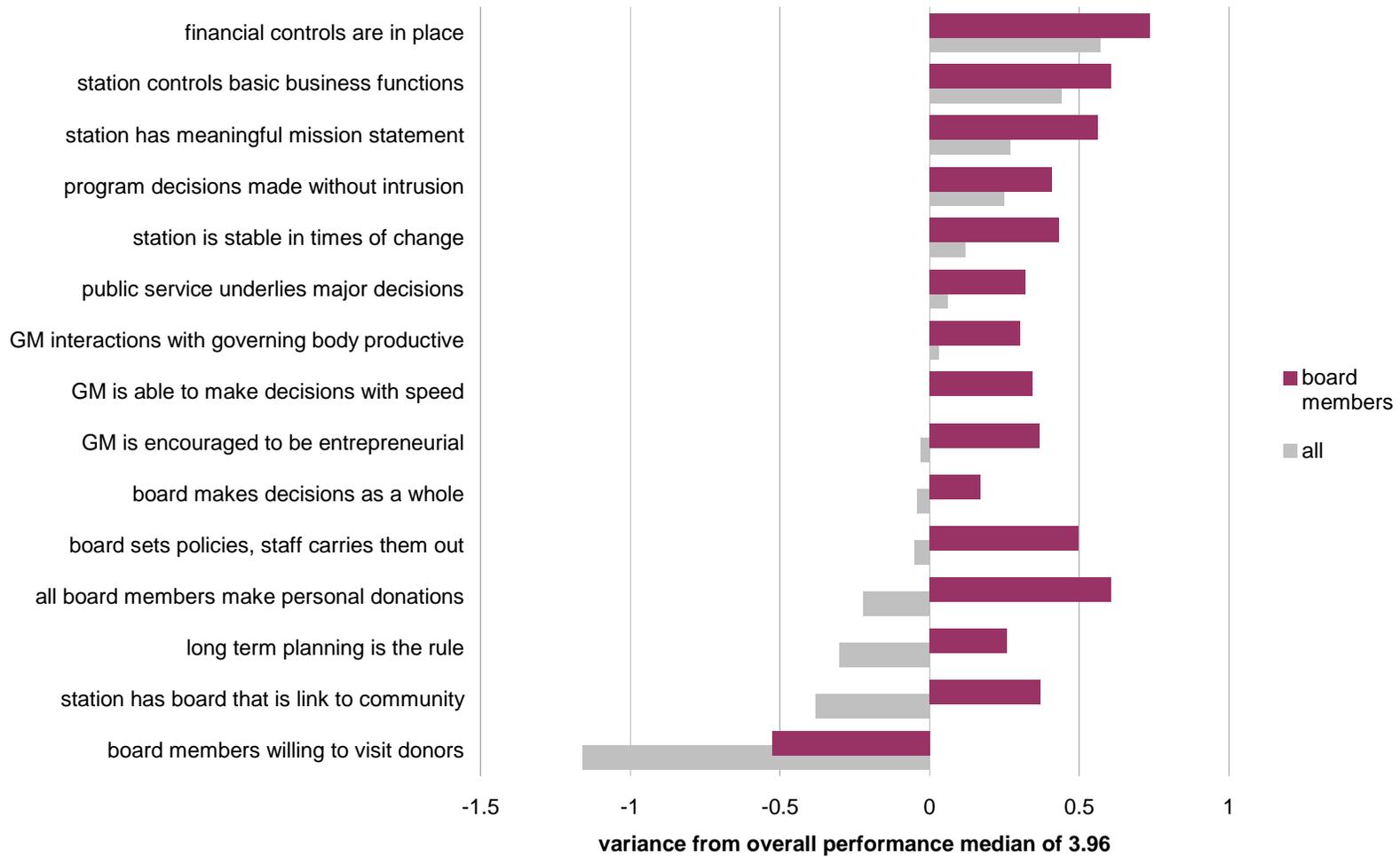
Performance: Board members vs. All

Chart #7



Performance: Board members vs. All

Chart #8



GENERAL MANAGERS v. STAFF

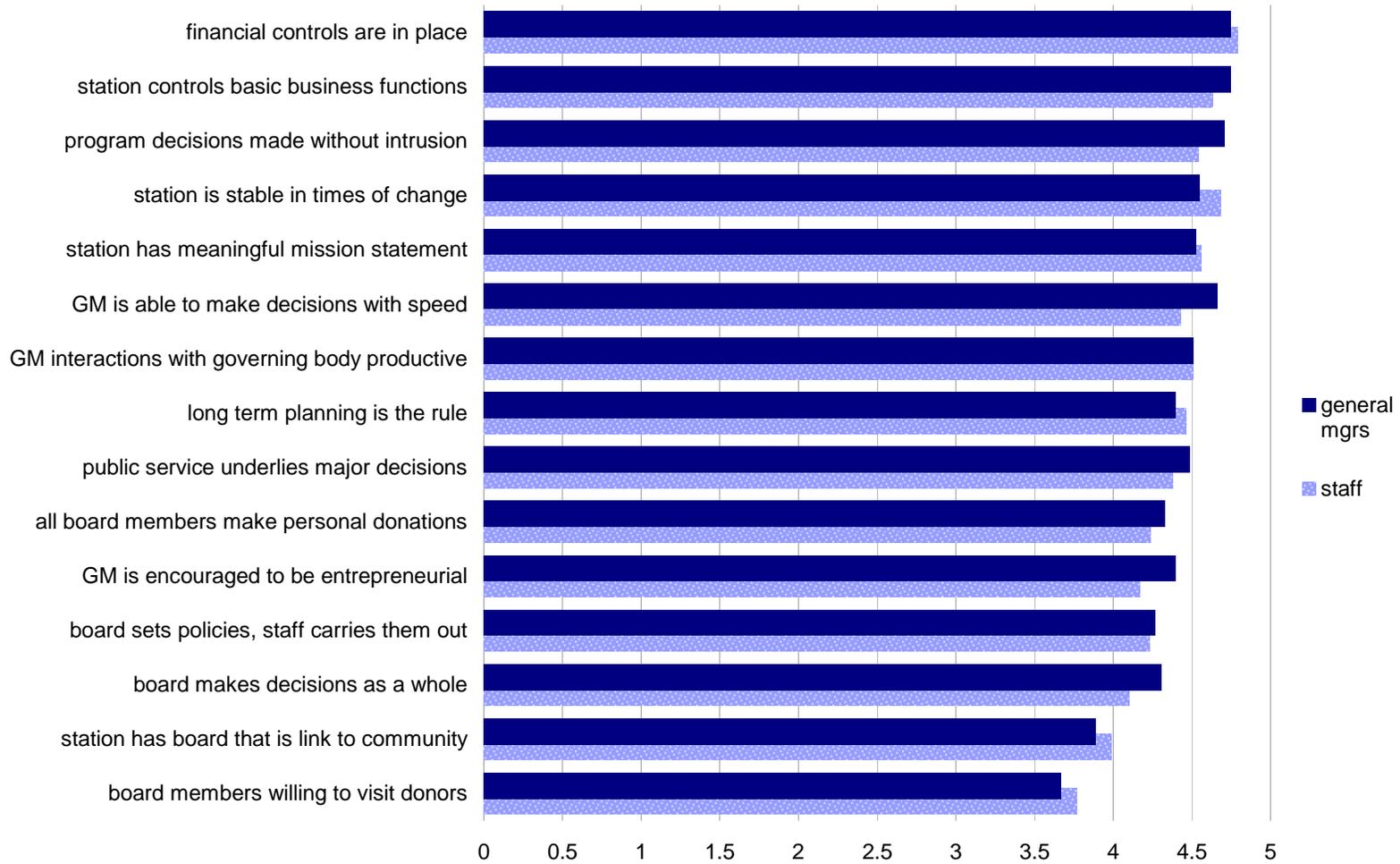
The trends are generally the same in importance and performance, but staff members give lower scores on performance on every attribute. While general managers give scores above the median on 11 of the attributes, staff members score only three attributes above the median of 3.96. The average performance score for the general managers is almost half a point above the average performance score for the staff members. The biggest gaps are on two functions:

- The general manager is able to make decisions with flexibility and speed
- Programming decisions made by broadcast professionals are protected from inappropriate intrusion.

The difference on these two attributes is three-quarters of a point. Staff members clearly think performance is lacking in these areas.

Importance: General managers vs. Staff members

Chart #9



Importance: General managers vs. Staff members

Chart #10

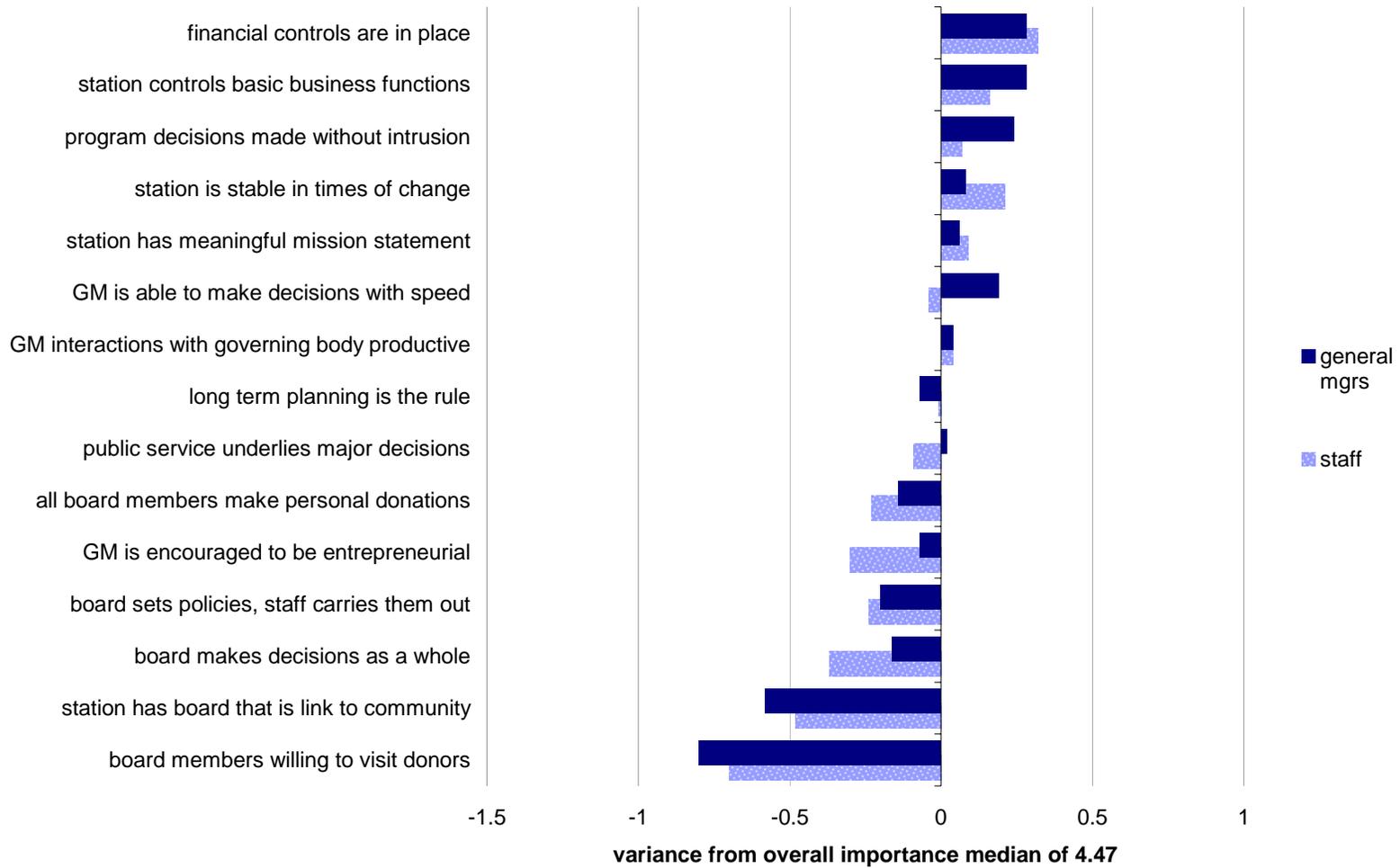
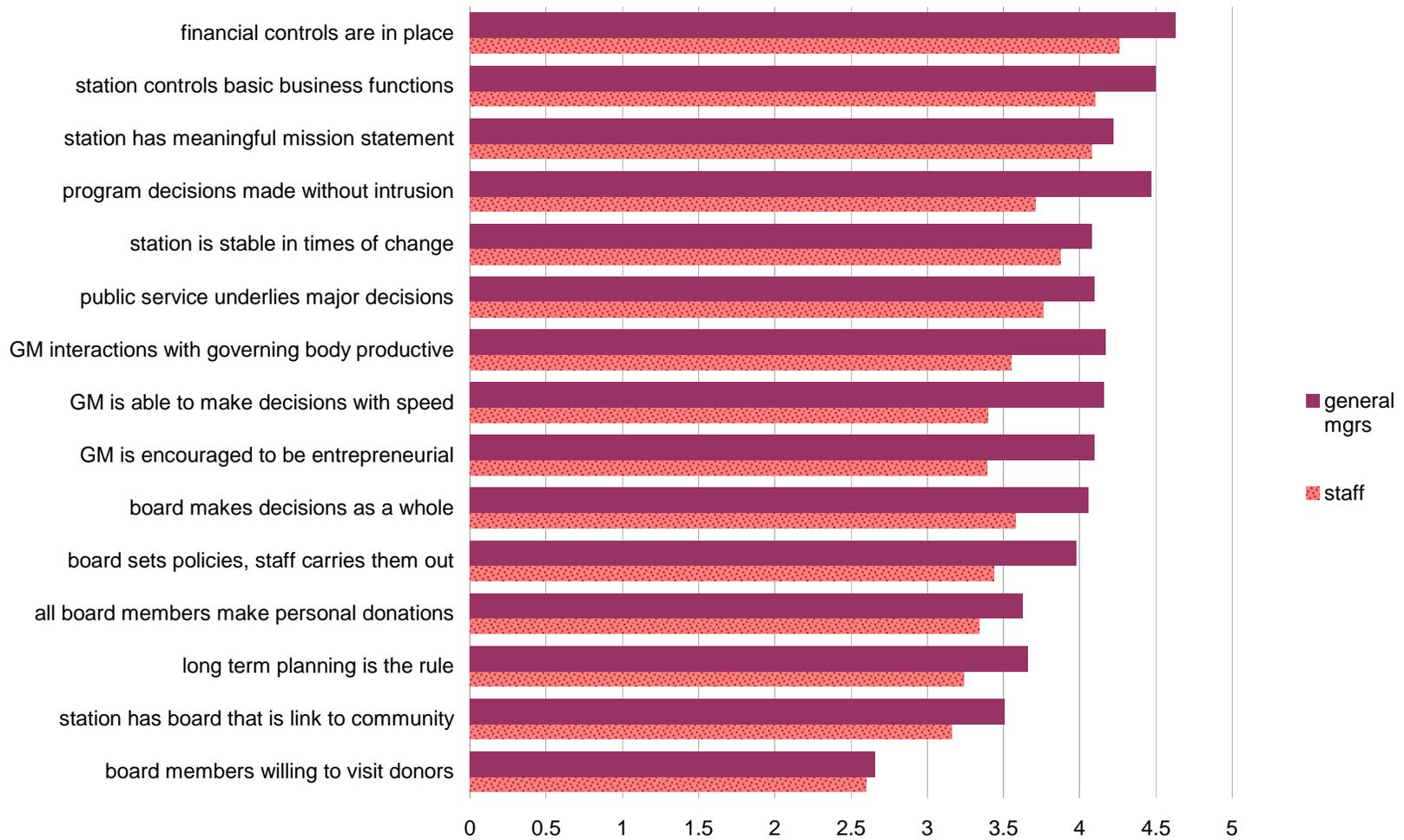


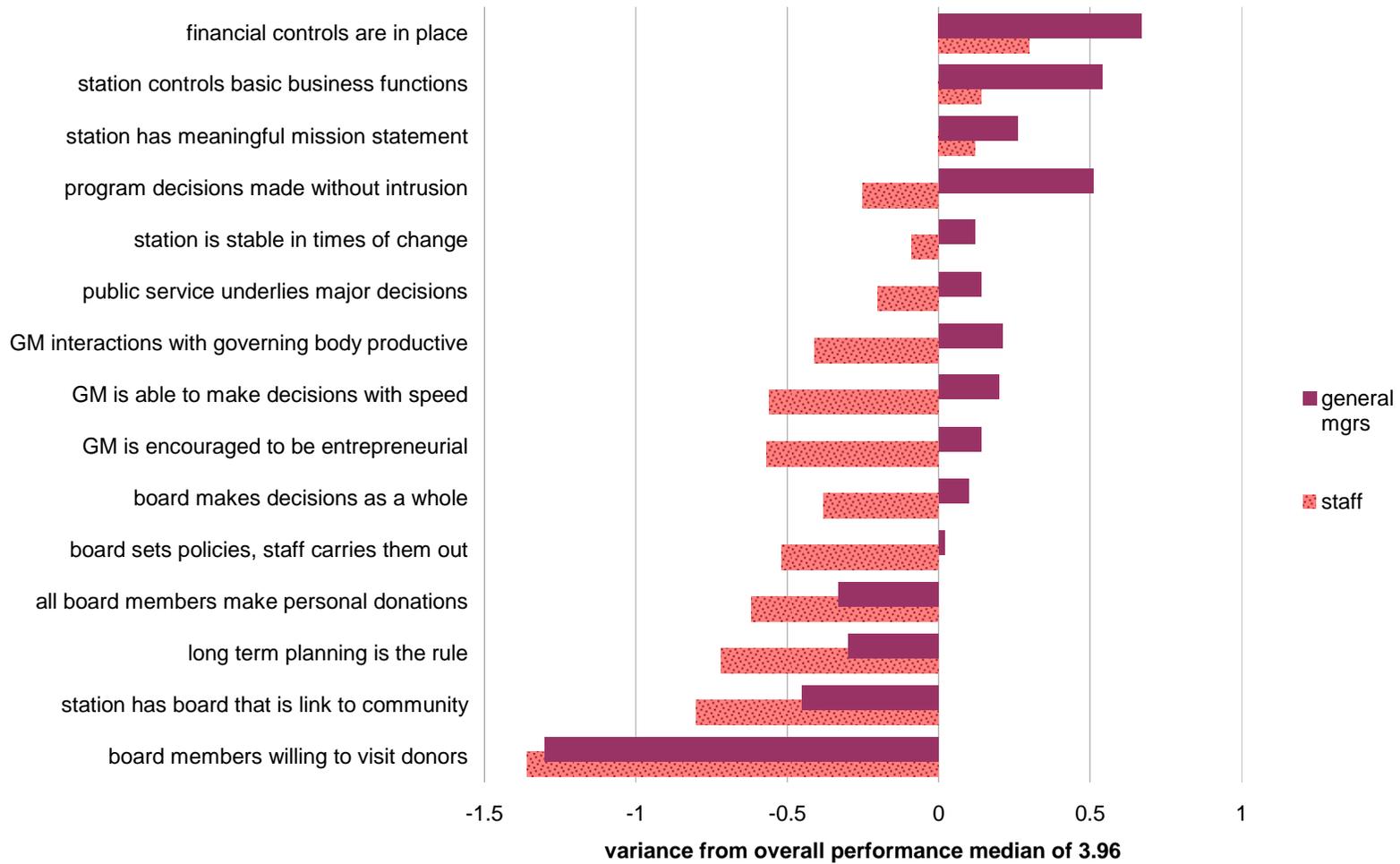
Chart #11

Performance: General managers vs. Staff members



Performance: General managers vs. Staff members

Chart #12



UNIVERSITY LICENSEES v. COMMUNITY LICENSEES

The responses of university licensees generally follow the same pattern as the responses of the overall survey when ranking importance. Community licensees have a different ranking order. The top attributes are very similar to those expressed by board members completing the survey, although the order is different. The top-ranking attributes are:

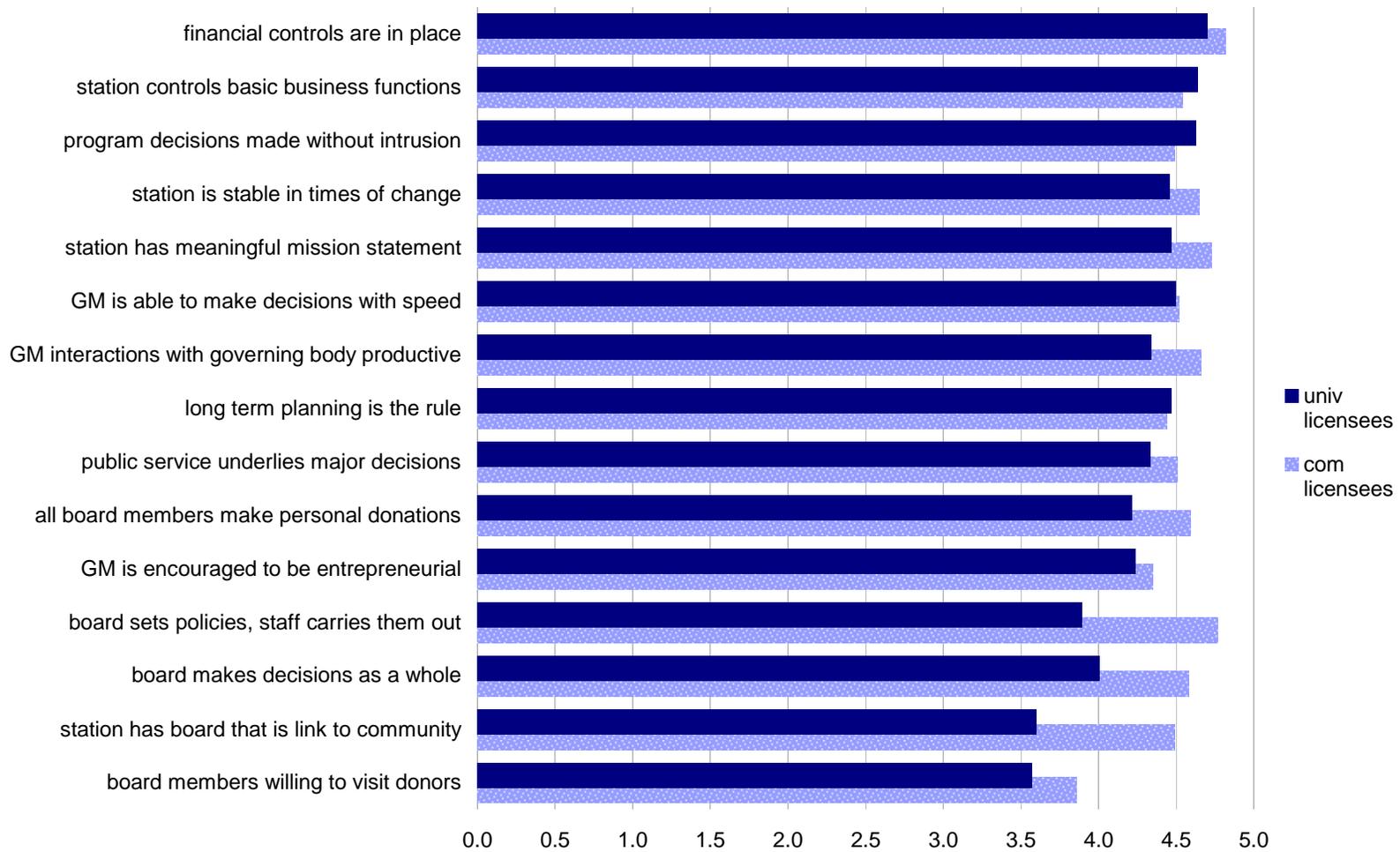
- Financial controls are in place, with standard budgeting, reporting and annual independent audit procedures.
- Board members set broad policies and empower staff to carry them out without board interference.
- Station has a meaningful mission statement, appropriate and relevant to its situation.
- General Manager's interactions with governing body are productive and generally contribute to the station's success.
- Organization remains stable, even in times of leadership changes or adversity.
- All board members make personal contributions to the station—100% participation.

This ranking reflects the importance community licensees place on civic engagement compared with the responses from university licensees. Obviously, community licensees must spend more time and energy on interactions with their governing boards.

When comparing responses from general managers at university licensees versus general managers at community licensees, the same pattern is revealed. The GMs at community licensees rank attributes related to boards and board activity as more important and show significantly better performance on those attributes.

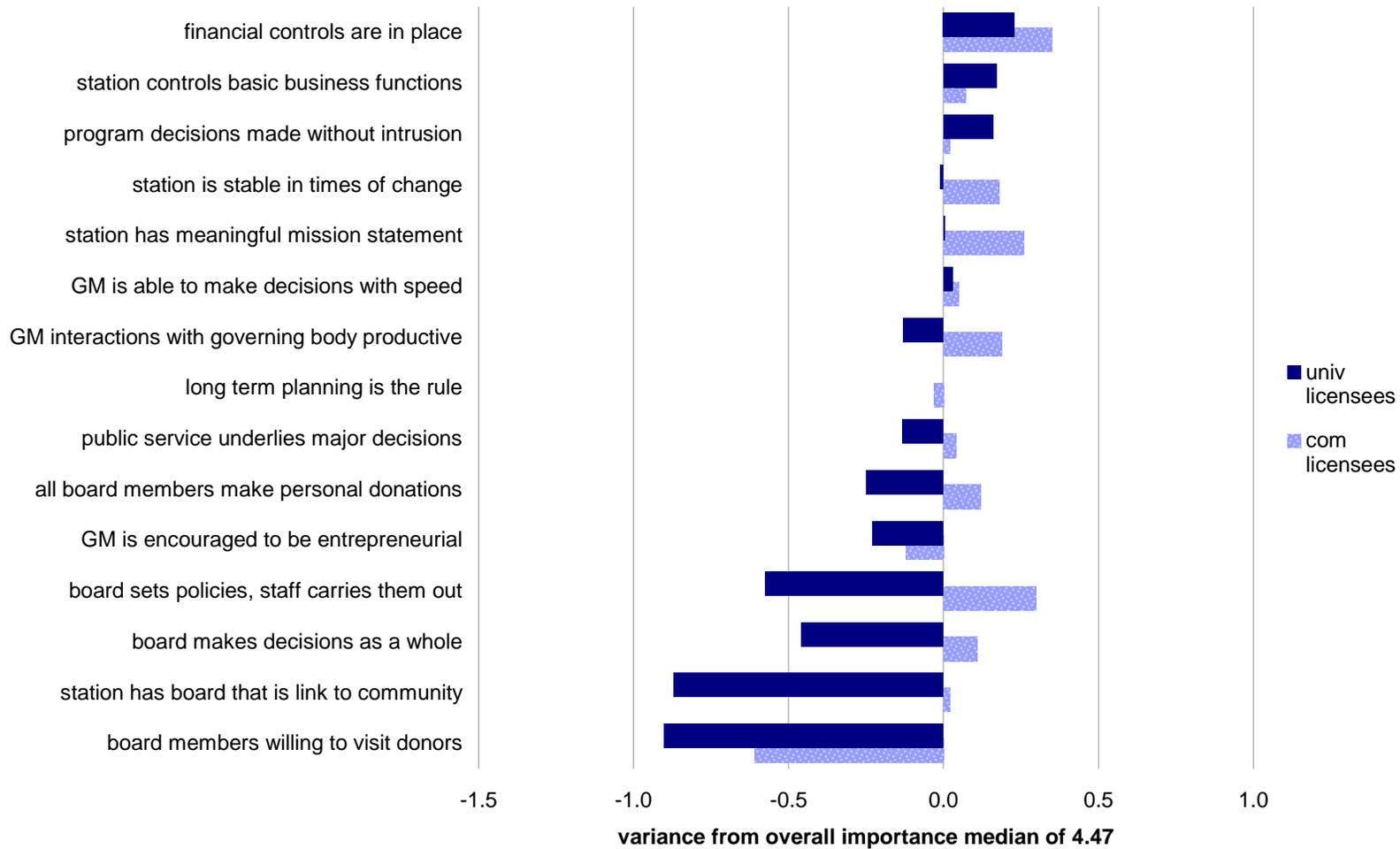
Importance: University licensees vs. Community licensees

Chart #13



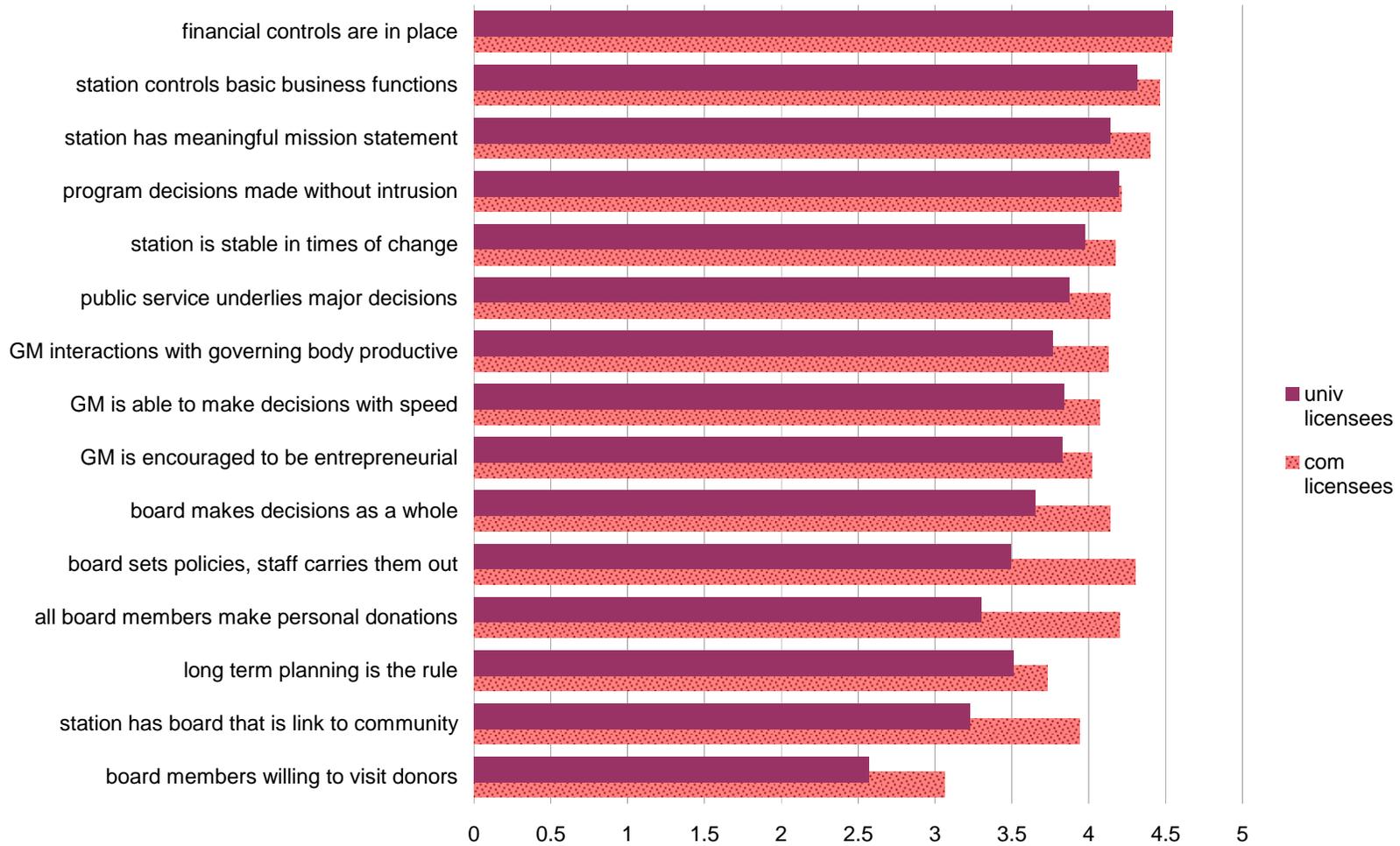
Importance: University licensees vs. Community licensees

Chart #14



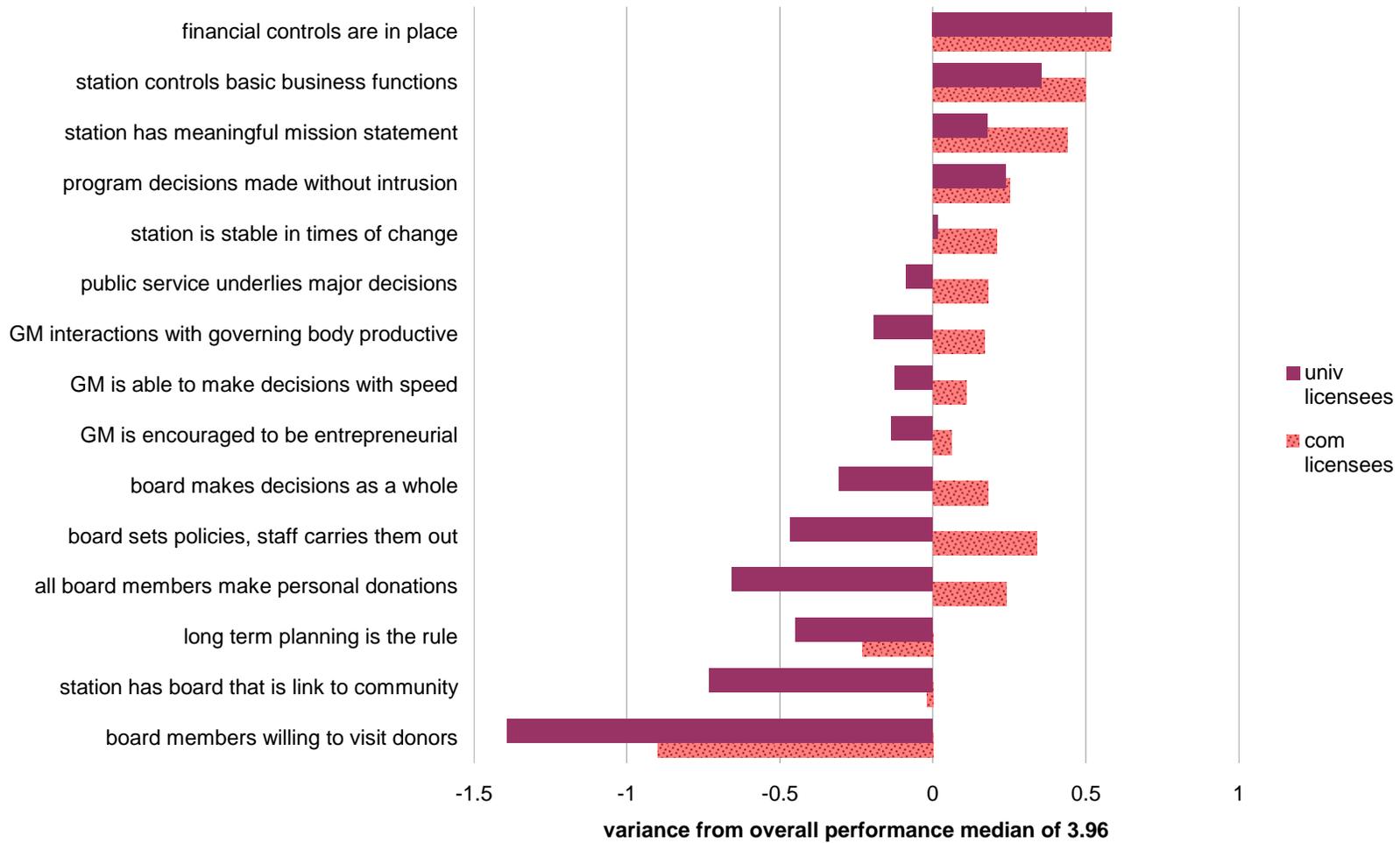
Performance: University licensees vs. Community licensees

Chart #15



Performance: University licensees vs. Community licensees

Chart #16

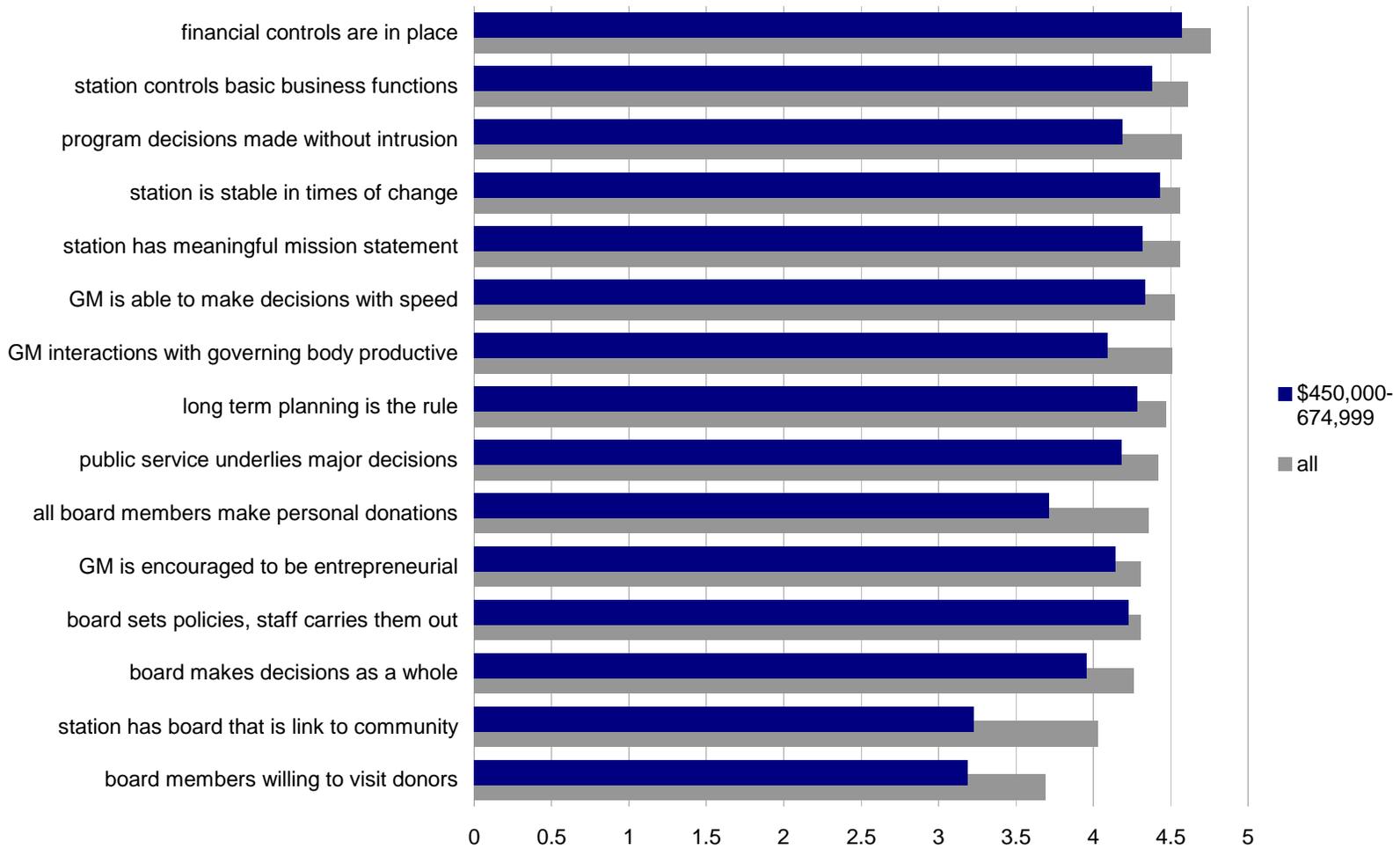


BUDGET SIZE

Stations in the \$450,000-674,999 budget size rank each attribute lower in importance compared to the overall responses and place more emphasis on the attributes in the middle cluster, especially those related to the general manager function – GM interactions with the governing body are productive and the board encourages the GM to be entrepreneurial. Performance scores are all lower or equal to the overall responses. Importance rankings generally follow the same pattern as the overall importance ranking for all the other budget sizes. Performance rankings have an interesting trend line – they are higher than the overall rankings for the \$2 million category, about the same as the overall rankings for the next two categories and below the overall rankings for the smallest budget size categories.

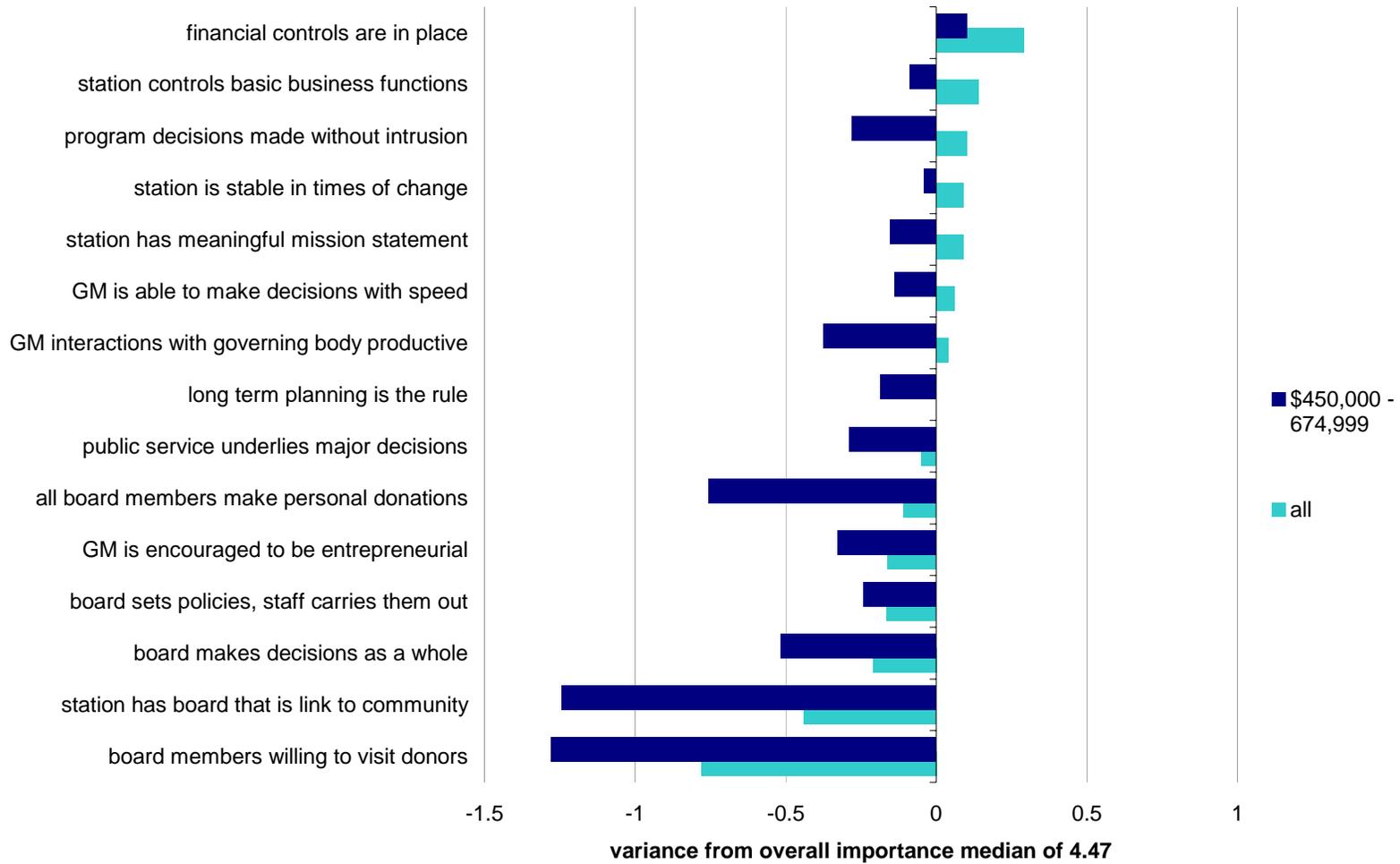
Importance: \$450,000-674,999 budget vs. All

Chart #17



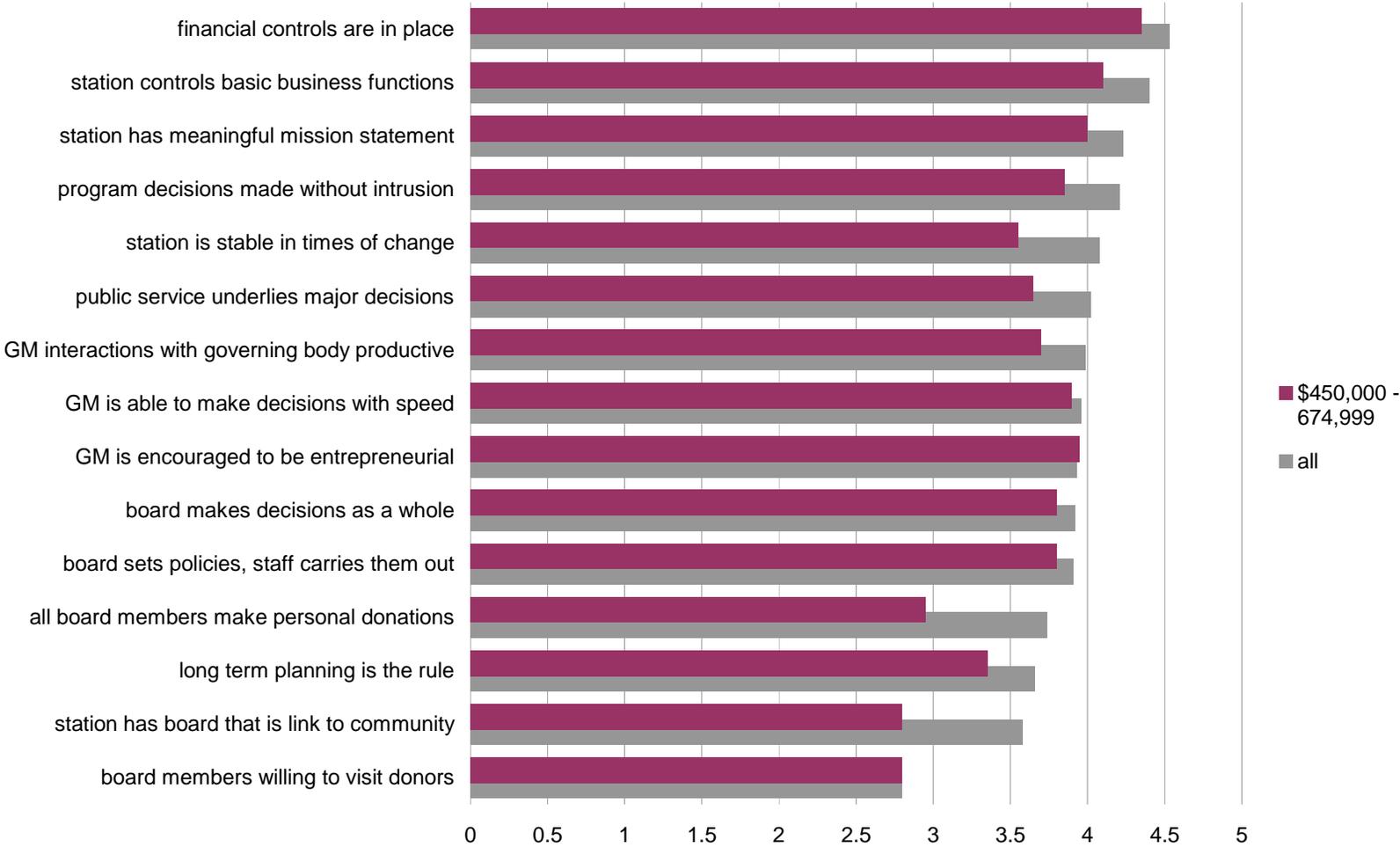
Importance: \$450,000-674,999 budget vs. All

Chart #18



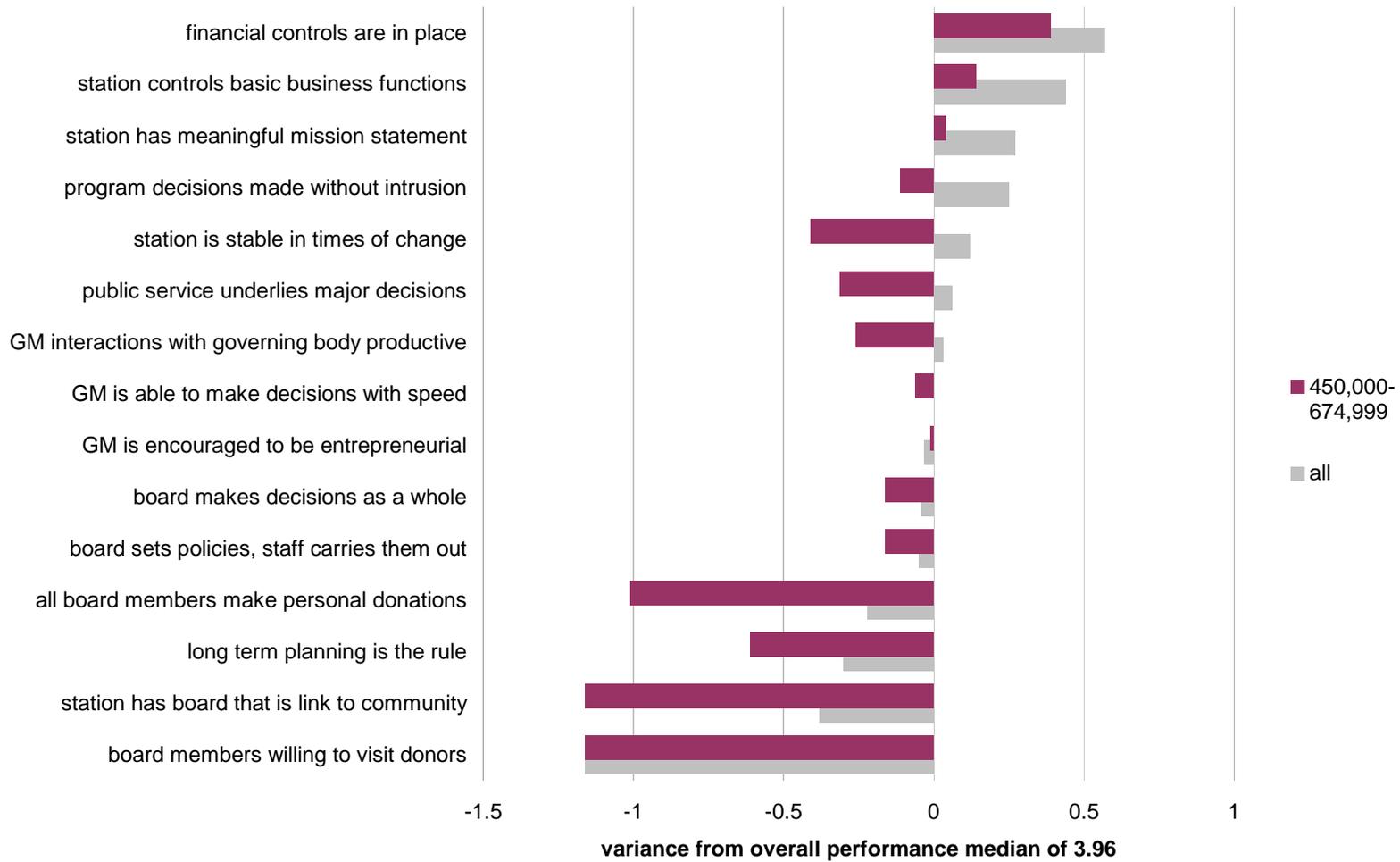
Performance: \$450,000-674,999 budget vs. All

Chart #19



Performance: \$450,000-674,999 budget vs. All

Chart #20



SURVEY I v. SURVEY II

The results from Survey II are remarkably similar to those of Survey I. About the same number of people responded – 236 in the first survey and 224 in the second survey – although the composition of the respondents is different. In the second survey there are more board members (an increase from 20 to 47), more staff members (an increase from 59 to 74) and fewer general managers (a decrease from 145 to 101).

Importance

All the importance rankings are virtually the same from Survey I to Survey II. There were no significant decreases in importance scores, but several attributes increased their scores:

- All board members make personal contributions to the station – 100% participation. Increase from 4.00 to 4.36.
- Station operates with long-term planning rather than through situational or event driven management. Increase from 4.35 to 4.47.
- All board members are willing to make in-person visits to potential donors to ask for contributions. Increase from 3.58 to 3.69.
- Station has a meaningful mission statement, appropriate and relevant to its situation. Increase from 4.46 to 4.56.

These increases slightly reshuffled the importance ranking but did not make a significant difference.

Performance

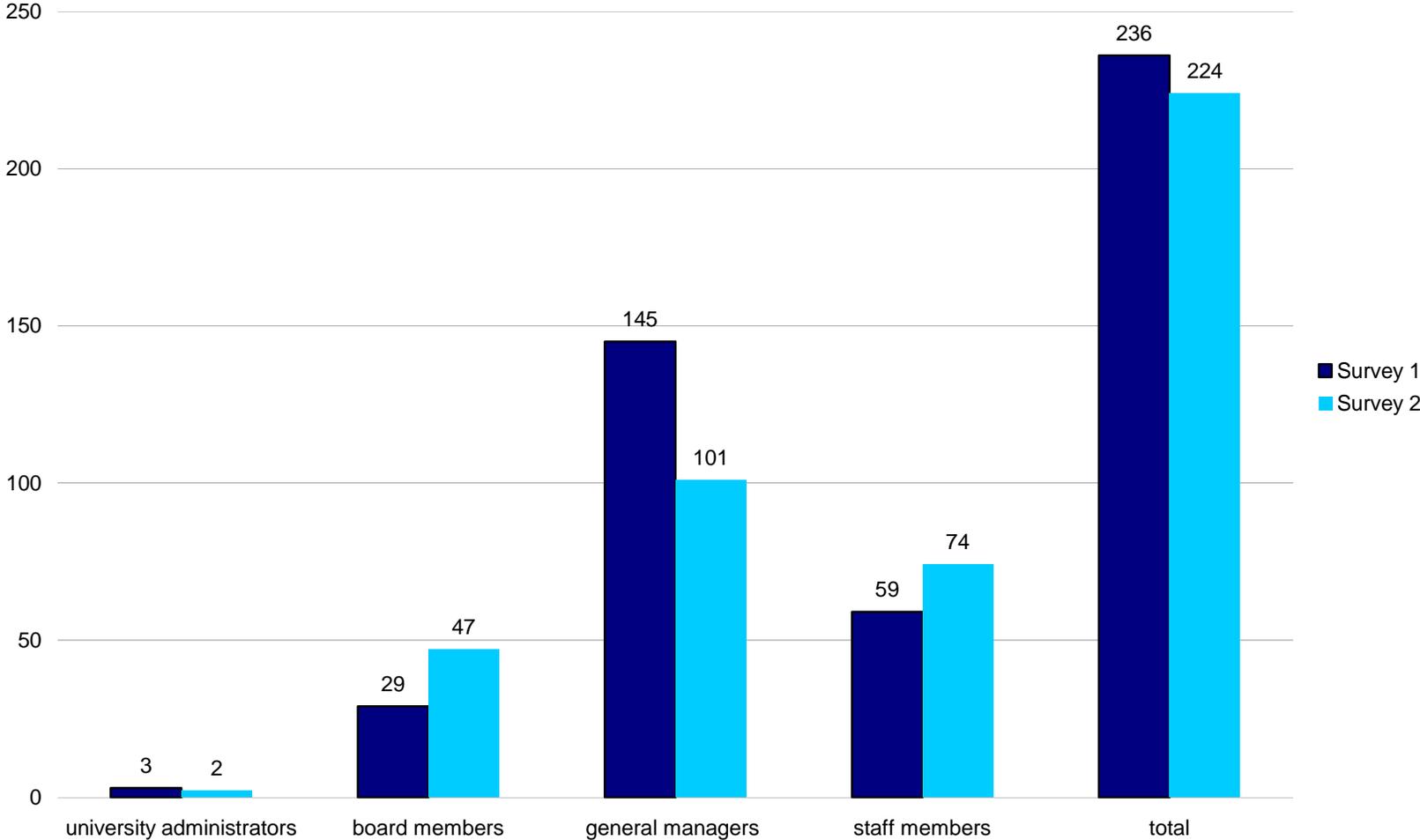
Performance scores are higher on every attribute by an average of a quarter of a point. The biggest increases, about four-tenths of a point, come in two attributes near the bottom of the importance ranking:

- All board members make personal contributions to the station—100% participation.
- Station has a governing or advisory board that provides a direct link to the community of service, facilitating communications and accountability.

There is no obvious explanation for the increase in the performance scores from Survey I to Survey II, but one theory is that respondents are feeling better about the economy or are meeting the challenges of a slower economy in their regions. Either way, the scores exhibit a greater optimism and enthusiasm about stations' performance on governance functions.

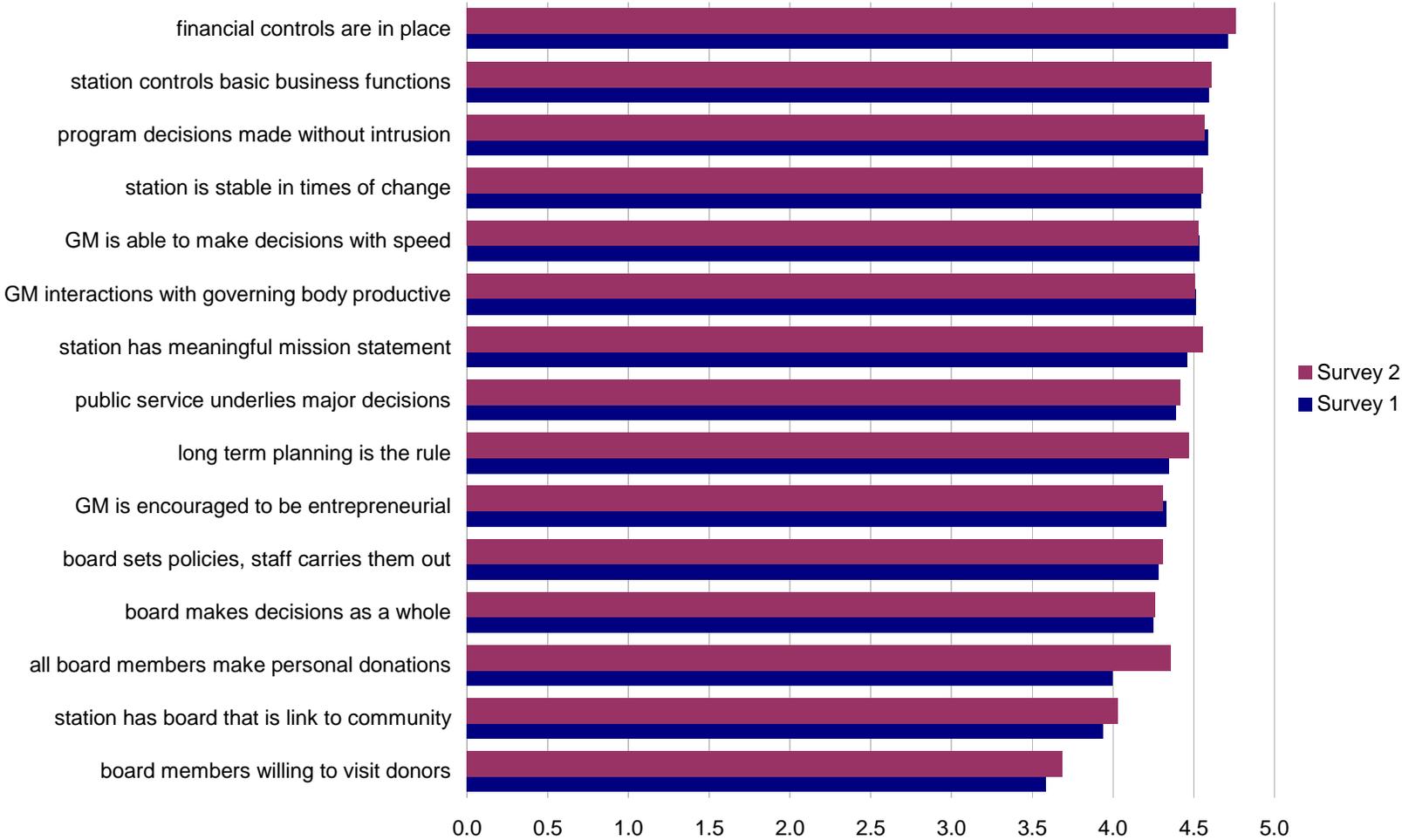
Respondents: Survey 1 vs. Survey 2

Chart #21



Importance: Survey 1 vs. Survey 2

Chart #22



Performance: Survey 1 vs. Survey 2

Chart #23

