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CUTTING-EDGE MANAGEMENT SYSTEM IMPROVES MUNICIPAL GOVERNMENT

Success of *CitiStat* may lead to replication throughout Serbia

Baltimore, Maryland, is 4,700 miles from the Serbian cities of Indjija and Paracin, yet all three cities share the distinction of having implemented *CitiStat*, an innovative and promising new municipal management system. After decades of inadequate local governance, Indjija's and Paracin's citizens now receive improved services at reduced costs to their local governments.

These dramatic changes originated with a May 2004 trip to Baltimore by Serbian local government officials from the two cities. The trip was organized by the U.S. Agency for International Development (USAID)-funded Serbian Local Government Reform Project (SLGRP), which promotes more effective, accountable, and transparent local government. Implemented by DAI, SLGRP is active in 87 Serbian municipalities.

The *CitiStat* system was developed in Baltimore to identify and fix problems in local government. It relies on the active participation of citizens, who can report concerns through various channels, and on proactive management by municipal officials, who use a comprehensive data tracking system and then develop and implement timely and effective solutions to identified problems.

Serbian officials met with Baltimore Mayor Martin O'Malley, attended *CitiStat* public meetings, and visited local administration departments, then returned home to build their own systems. Goran Ješic, the Mayor of Indjija, said his city's *System 48* "is a replication of Baltimore *CitiStat* with our own ideas. The software and organization of the system are largely ours, while the communication procedure and relations with customers are copied." In the few months since *System 48*'s launch, results are already real and measurable. In Indjija, resident concerns reported to the Citizen Assistance Center's call center—established in August with a limited IT infrastructure and only one operator—have averaged 450 per month. This call center uses automated routing to make it available 24 hours a

day, 7 days a week, and generates work orders for the appropriate public enterprise or department.

Through *System 48*, Indjija's public officials have removed illegal waste dumps, improved electricity fee collection, reorganized city lighting, and instituted an automated public parking system. Parking collection rates have doubled and collections have already exceeded the \$34,000 investment cost—reaching \$73,000 in the first year alone.



"The most important result is that citizens are now able to solve their problems very quickly and efficiently.... Citizens can report their problem and get an answer within 48 hours."

—Goran Ješic, Mayor of Indjija

In short, *System 48* is improving local governance by enhancing services and cutting operating costs, and it has yet to reach its full potential: the city plans to expand the system to cover additional public enterprises and departments, and will fine-tune its application as Mayor Ješic and his city move closer to achieving their goal of efficient and responsive local government.

And the prospect for replicating the system—continuing the evolution from Baltimore to Indjija, Paracin, and beyond—is promising: at a recent municipal Best Practices Fair, Serbian mayors voted *System 48* the most innovative practice of 25 municipal presentations.