

Abstract

A Study of Outsourcing Human Services in Pennsylvania Counties: Adoption – Selection – Performance Measurement

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This research investigates privatization, specifically outsourcing as a public/private partnership, from the ground up as it has been adopted, implemented and evaluated at the level of county government in Pennsylvania. This study goes directly to the source, recording, analyzing and presenting the experiences of public administrators in the Commonwealth who have been the decision makers, the implementors and the evaluators of outsourcing arrangements with the private sector. In doing so, the study draws on a resource that is often missing in such discussions --- voices of those whose first-hand accounts are lived experiences of public service.

The study posed four questions:

- What factors influence a local government's decision to outsource public services?
- What criteria does a local government use to select an outsourcing provider?
- How do local governments measure the performance of outsourcing providers?
- How does the performance of public/for-profit partnerships compare with the performance of public/non-profit partnerships in the delivery of human services programs?

A particular area of interest for this research was distinguishing within the private sector between the levels of performance of for-profit vs. nonprofit corporations as public-sector outsourcing partners.

The study primarily employed qualitative research methods supported with basic quantitative data. In addition to the in-depth telephone and in-person interviews, a case study was conducted with one of the counties whose experience with outsourcing stood out during the interviewing stage.

Analysis of data collected from the Pennsylvania counties, in the main, supports the original assumptions. Cost of providing service, internal attempts to decrease service delivery costs, limited county staffing and positive past experience with outsourcing influence the decision to outsource public services. That said, counties still rely on competition to choose contractors. The contract, with its provisions and work statements, is clearly the mainstay of outsourcing arrangements in Pennsylvania counties. Data from the case study reflects the same findings as those of the overall study.