

Cost Savings and Achievement Potential of Prevention Programs: Smart Cuts, Dumb Cuts, and a Process to Tell the Difference

by Sid Gardner and Alan Brown

Local and state government officials face daunting budget challenges as part of the larger global financial crisis. Extreme budget deficits seem inevitable at this point. The conventional response to budget deficits in some local governments and states has been to apply simple across-the-board percentage cuts, for example, a 10 or 15 percent straight cut. Although this approach gives the impression of equitable treatment of all departments and agencies, the practice, in fact, creates a bias in the treatment of agencies and jeopardizes the foundation of the government's infrastructure.

Using this outdated approach means that effective programs that may be operating on the basis of successful historical experiences and evidence-based practices are eroded or weakened, while ineffective programs may be overlooked and protected from being accountable for program results. The message sent by across-the-board cuts is either "we can't tell the difference between good and bad programs" or "we don't care whether programs are effective or ineffective." Both are poor messages to send at the beginning of a new administration, or at any time.

How can local governments seize opportunities that result from crisis and allow governments to emerge from any tumultuous period with a greatly improved process of governance? This article suggests three techniques useful to public leaders who are navigating through the continuing storm of declines in budgets: