



# ***CHIEF'S FILE CABINET***

***Ronny J. Coleman***

---

## Worth Your Salt

A long time ago people did not receive compensation in the form of dollars and cents. The concept of money was preceded by the concept of value. In very basic societies those things that were incredibly rare developed an intrinsic value and people would barter services in exchange for that precious commodity. Among those commodities was salt.

The dispensation of salt was often used as a form of compensation for services delivered. The rationale behind it was that salt could be used for a wide variety of domestic purposes not the least of which is to protect food. The cliché began some time back in the dim past. Some individual was asked whether or not what they provided was worth its share of salt.

The modern day version of that is the concept of cost versus benefit. Is there value in what you do and is that value being compensated with something with an intrinsic value. We're not talking about taking home paychecks with buckets of salt anymore. We are dealing with dollars and cents. In our modern society the acquisition of wealth in the form of dollars and cents however, is still based upon the fact that people will only pay high prices for something they truly value.

The context of this discussion for me has started in many fire stations talking to fire chiefs about the idea that their mayors and city council wants to know what value there is in a fire department. In spite of being around the profession for a couple of hundred years this question still gets asked and answered for the simplest of reasons. The question has not been answered in a way that everyone agrees with.

With the exceptions of some poor desolate fire department that have absolutely no funding base and have absolutely no expenses, the majority of fire departments cost money. No matter what type of department. Volunteer, combination and paid fire forces cost money. There is no such thing as free lunch. And, the more expensive a department is the more people want to know what they are getting for their money.

Let's start with the simple formula that cost must equal benefit. Whenever there is a disparity on either the perception of the benefit in relationship to a cost – or there is no nexus between the benefit and the cost, the person paying tends to get a little bit cynical.

I don't know any place in the world where this can be more cynical than in the relationship between those who pay taxes and those who benefit how those taxes are expended. Without going into quite a dissertation about this relationship at all levels of government, all the way to the federal government, I am only interested in the fire side in this column. This is where the argument often centers. Just exactly how much are you paying for fire protection and how much fire protection are you getting.



# ***CHIEF'S FILE CABINET***

***Ronny J. Coleman***

---

The corollary to the formula stated in the previous paragraph is that level of effort (Costs) equals level of service (Benefits). In other places I have written on this particular concept but mostly in relationship to deployment. The reality is that every fire department has both of these components in place at all times. The level of effort is defined as the amount of investment that a community has put into its fire department in the form of tax revenues, fees for services etc. The level of service is what is actually provided on the streets. Most often this has been interpreted as meaning fire trucks and firefighters. In reality, all fire departments have a level of effort for every program ranging from its investment in training and the level of training that is provided, the level of fire prevention and the level of general life safety that is present in the community.

On the level of effort side there is a way of keeping score. The total amount of money being spent for fire protection is one manifestation of the investment. But a more straight forward representation of what it costs the taxpayer is to understand the concept of per capita fire protection contribution. The term per capita means per person. It follows that if there are a lot of people in a community and they are willing to pay a lot for fire protection you should have the resources to provide a fairly high level of service. It also follows that if you don't have very many people and they are unwilling to contribute to the fire departments infrastructure the level of service is probably going to be lower. So for purposes of discussion when we talk about costs on the one side we have to address the public's perception of what is reasonable.

The test of reasonableness is not very easy. In fact many people will disagree entirely over how much money should be spent on any given program. But that is not what I am referring to. Reasonableness in this case is the reflection of whether or not the amount of money can be raised and whether or not it is sufficient to generate an infrastructure that will meet the needs of those who are paying the tax.

Therefore, when we are talking about the cost side of a fire department, we shouldn't be talking entirely in terms of total amount of dollars but rather how those dollars are generated on the basis of the people who live in the community. The reason that this is absolutely critical is that level of service is not an abstract thought to the entire community. Level of service is measured by what you actually do for people when they come to you for that service.

That causes a shift to the other side of the ledger. The level of service equals the amount of benefit. Therein is where a lot of fire departments are really having a difficult time articulating what benefit is derived by specific costs. One of the hot topics that falls into the right side of this column is this whole idea of performance measurement. How well are you doing?

Talk about a complicated question. How are you doing depends on where you are. Let's go back on the other side of the ledger for a minute and talk about the people who are paying the per capita costs. If we base our entire performance measurement of a fire department simply on response time alone



# ***CHIEF'S FILE CABINET***

***Ronny J. Coleman***

---

those people that have never placed a demand on emergency reporting system and requested somebody don't have any direct benefit. That performance measurement is meaningless to them. Yet, they often find that the most common definition of level of service in most communities is requested in its ability to cope with emergency response.

I would replace the phrase benefit with a more streetwise term. It begins with "what is in it for me?" And of course I am talking about the person who pays the per capita costs. What is in it for them?

If we move up the budgetary food chain of who is controlling the revenues of the fire service we often find that the Mayor has that same question – what is in it for me? If we communicate with finance directors, city managers and others they often phrase a similar question.

We need to do a better job of providing an answer to that question. I would submit that the primary benefit of having a well equipped, well trained and properly lead fire department is that it provides for the highest possible potential for the quality of life in the community. Our benefit is our availability and our reliability when called upon.

You will often hear an argument that the cop shop has done a better job of justifying their existence. Whether we agree with that statement or not we have to recognize that there is a perception that law enforcement has done a much better job of articulating the outcomes of their performance. Bill Clinton speaking as the President of the United States made a promise to put more "cops on the street" that resonated with many politicians. I would argue that if there wasn't some kind of a perceived benefit that crime was going to go down that cost would have been argued.

Is putting more firefighters on a fire truck make fires go down? To the contrary most of the justification for the fire service has to do with dealing with the consequence of failure. i.e., if we don't have enough firefighters on our truck buildings are going to burn. Then again, what happens if we don't have those firefighters on the truck then the buildings do not burn?

It begins to raise the issue that if we are going to talk about the benefits to a community that a fire department provides we can't focus it entirely on emergency response. We have to focus it on the total level of service being provided. To the contrary of us justifying the staffing on the basis of bad fires, we need to talk about the fact that outcome analysis would usually prove that a sufficient number of firefighters arriving on the scene prior to a fire going to flashover will prevent that fire from destroying more property or destroying life.

But, ask yourself this question. How many structure fires did you have last year and how many of them were confined to a room of origin? Moreover, how many of those structure fires did you arrive on scene and actually lay hoselines that made a remedial difference to those fires? In many cases fire



# ***CHIEF'S FILE CABINET***

***Ronny J. Coleman***

---

departments lack that sort of information. Moreover, we don't even like to talk about it. If we don't get to lay a lot of line there is an implication that you don't need those people.

My analogy to that is just because you don't crash an airplane every time you land it is no reason to get rid of the co-pilot. The body of knowledge that we have in the fire service is getting increasingly sophisticated about our performance. We have to start getting much more sophisticated with the use of that performance information. What is the performance of a really good fire prevention bureau? What are the performance measures of a really good community relations program? What are the performance measures of a really good fire investigation program?

One of the things that will often come up in this discussion is the fact that fire service measures input it doesn't measure output or outcomes. I think that accusation is at least partially correct. Yet, a recent USFA document has been published that illustrates in the national fire data that there are trends and patterns that emerge from having adequately trained properly equipped fire departments that respond in a timely fashion. The government publication "Structure Fire Response Times" by the U.S. Fire Administration's National Fire Data Center Topical Fire Research Series, Volume 5- Issue 7 from January, 2006 should be read by every fire chief in this country. Some of the material may be well-suited for use in benchmarking your particular department's current response time performance. The report provides several correlations between statistically longer response times and higher flame spread in structure fires. Isn't that one of the benefits we are trying to prove locally?

Obviously this is not a question that we are going to have some really simple answers provided in a short column at fire chief magazine. The reason for raising this issue however, is the realization that more and more fire chiefs are being confronted with these kinds of questions when they go into budget discussions. The more we know about the actual benefits of our labor the better off we are going to be able to justify the cost side. Granted, there is still going to be evidence that some departments are just plain lucky – the community gives them everything they ask for.

On the other hand as costs for government continue to increase (the amount of salt that must be given away) the question of whether a community is getting its money's worth is never going to go away. All it will do is evolve into other forms of inquiry that we must be adequately prepared to respond to.