



Professional Management in Wisconsin Municipalities: A Primer

Michael R. Ford, PhD

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Whitburn Center for
Governance and Policy Research

800 Algoma Blvd., Oshkosh, WI 54901

(920) 424-1580

uwosh.edu/whitburn-center/

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Mission Statement

The Whitburn Center conducts practical applied research focused on evaluating and improving governance, professional management, and public policy in Wisconsin and beyond.

Philosophy and Values

Our vision is to build local government, nonprofit, and community capacity to promote the common good. We will bring people together across ideological divides to discover nonpartisan solutions. The Whitburn Center will share innovative, research-based knowledge, equipping our partners to address their most pressing needs, while utilizing equitable, efficient, and effective strategies.

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Executive Summary

The Issue: A significant number of Wisconsin cities and villages have a professional administrator managing the day-to-day operations of their government. Despite the prevalence of the professional manager form in Wisconsin, there remains confusion about how many cities and villages have professional managers, and how professional management of government works in practice.

The Method: In this report we:

- Explore the logic and history of professional management of local government;
- Explain the different approaches to professional management in Wisconsin cities and villages;
- Compare fiscal and governance data from Wisconsin cities and villages with and without a professional manager; and
- Provide guidance for communities considering professional management of their municipality.

The Findings: We find that 53.2 percent of Wisconsin cities, and 15.2 percent of Wisconsin villages, have a hired administrator. Cities with a hired administrator tend to be larger, slightly lower spending, and have more general obligation debt per-capita than cities without an administrator. Elected board members serving cities and villages with a professional administrator exhibit more positive governing dynamics than those without an administrator, and cities and villages with hired professional administrators have lower staff vacancy rates, and a higher likelihood of reform adoption.

The Lesson: The prevalence of professional management in Wisconsin local government is often downplayed because the majority of professionally managed cities and villages adopt the government form through a simple ordinance, as opposed to a charter ordinance under Chapter 64 of the Wisconsin state statutes. Though professional management is not right for every municipality, the presented evidence is consistent with a body of research showing professionally managed municipalities have better overall governing dynamics, and a higher likelihood of adopting innovative reforms, than those without a hired professional administrator.

Professional Management in Wisconsin Municipalities: A Primer

The presence of a professional administrator responsible for managing the day-to-day operations of municipal governments is common in Wisconsin. Yet, there is often confusion about how many cities and villages have professional managers, and how professional management of government works in practice. In this primer we:

- Explore the logic and history of professional management of local government;
- Explain the different approaches to professional management in Wisconsin cities and villages;
- Compare fiscal and governance data from Wisconsin cities and villages with and without a professional manager; and
- Provide guidance for communities considering professional management of their municipality.

The History and Logic of Professional Local Government Management

History

Politics decides and administration does. Though an oversimplification, the goal of insulating the day-to-day administration of government from the political whims of the day for the purposes of improving performance is at the heart of professional management. Supporters of municipal governance reform advocated for a more businesslike approach in local government, noting that government management is unique in that it operates in a democratic context and involves the public's resources and trust. In addition, government is unique in providing collective services (like police and fire protection) that are not intended to generate profit.

The roots of professional management of local government go back to the rampant political corruption in some U.S. cities in the late 19th and early 20th centuries. Journalist Lincoln Steffens documented municipal corruption in his classic book, *The Shame of the Cities*, famously concluding that “the misgovernment of the American people is misgovernment by the American people.”¹ Steffens argued that municipal corruption followed predictable patterns across cities, spurring a reform movement to disrupt those patterns through the professionalization of municipal leadership. During the 1910s and 1920s, over 200 U.S. cities formalized the professionalization of municipal leadership by adopting a city manager form of government.² Under this form, a legislative body of elected officials hires and oversees a professional manager to run the day-to-day operations of government. The manager serves at the pleasure of the legislative body, which passes policies and provides direction to the city manager.

Over time, professional management of local government has become prevalent to the point of being the most common form of local government in the U.S.³ A 2018 survey of 4,109 local governments conducted by the International City and County Management Association (ICMA) found that 48.2 percent of local governments had a council-manager form of government. A total of 38.2 percent had a mayor-council form where an elected mayor is responsible for the day-to-day operations of govern-

ment.⁴ The ICMA survey also found that 39.6 percent of council-manager cities adopted the form through their charter, while 30.8 percent adopted it through a local ordinance. As will be discussed, the vast majority of Wisconsin cities and villages with a professional manager/administrator adopted the form through a local ordinance.

Logic of Professional Management

The professionalization of local government management is an effort to make local government more transparent, more efficient, more representative, and ultimately more effective. Consider Oshkosh, WI, a city with 67,408 residents. According to Oshkosh's 2021 Annual Comprehensive Financial Report, the city had \$112,956,576 in total expenses in 2021.⁵ The city also had 581 full-time employees, 102 part-time employees, and 95 seasonal employees working in a dozen different departments. Overseeing an organization as large and complex as the City of Oshkosh requires specific management skills that an elected mayor may or may not possess. While Oshkosh is one of the larger cities in Wisconsin, smaller municipalities are similarly complex in the scope of services provided to their residents.

As stated, the professional manager form of government separates the governance role from the operations role in municipal management. As discussed in previous Whitburn Center research (see: [The Whitburn Center Good Governance Toolkit](#)), governance activities provide high-level direction to and oversight of municipal government. Governance activities that are the purvey of an elected council or board include:

- Organization-level goal setting;
- Serving as a bridge between residents and local government;
- Deciding scope of services to be provided;
- Program creation;
- Budget approval;
- Policy creation;
- Approving legislation; and
- Evaluating the organization's executive.

The professional manager is in charge of operations, which includes:

- Managing, hiring, and firing staff;
- Deploying resources across the organization;
- Reporting on goals;
- Developing budgets; and
- Implementing policies.

The list of activities is not exhaustive, and the definition of governance and operational activities can and will vary across municipal governments. But the general logic of a clear separation of operational and governance activities is the foundational logic of professional management.

But does professional management deliver on its premise to make local government more effective? Jered Carr (2015) summarized the state of the academic research broadly, concluding that “evidence exists to support claims of improved performance of the council-manager form of government,” but, “[t]he evidence is not as strong as many advocates likely expect...”⁶ Carr (2015) summarized studies showing that having a trained city manager limits the amount of interference by special interest groups, makes councils less likely to adopt purely symbolic policies, and makes councils more likely to adopt innovative policies. Additionally, there is a higher effectiveness in performing basic functions of government such as establishing long term goals, reviewing and approving the budget, and resolving citizen complaints and demands. In Wisconsin specifically, Nollenberger & Simmons (2016) found lower levels of council conflict and higher levels of council cooperation in professionally managed cities, concluding that “Wisconsin cities without an administrator have some of the highest levels of confrontation/conflict in the governance process in the United States” (p. 95).⁷

Mitigating factors in much of the existing research include disagreement over the definition of government effectiveness, different approaches to professional management across states, and variation in each municipality’s level of understanding and commitment to the manager/administrator form of government. One common critique of professional management is that it is undemocratic, i.e., that residents are unable to vote for (or against) their municipal head, and therefore do not have a voice in their government. While it is true that professional managers are hired, they are hired by elected officials who face direct electoral accountability. Another common critique is that professional managers engage in politics and undermine the wishes of elected officials. No doubt such circumstances can occur, making understanding of governance roles, including the power to dismiss a professional manager for such behavior, important.

Professional Management in Wisconsin

Wisconsin has a total of 190 cities. Of those cities, ten are Chapter 64 cities who have a city manager via their charter ordinance.⁸ Chapter 64 of the Wisconsin state statutes lays out specifics of the structure, powers, and processes of both city managers and elected council members under this form of government. A city can become a Chapter 64 city, according to state statute: “either by enactment of a charter ordinance or by a petition and referendum election.” Enactment of a charter ordinance requires a 2/3rds majority vote by the city council and may be subject to a referendum.⁹

However, most Wisconsin cities with a professional administrator establish the position via ordinance (either charter or simple ordinance). Establishing the position this way gives cities more flexibility in tailoring the specifics of the administrator position to their unique needs. A review of websites of all Wisconsin cities shows, in 2024, that 91 have an administrator established via ordinance. Thus, a total of 101 out of 190 cities have an administrator in some form. The presence of an administrator in village government is less common. A review of village websites shows that 63 out of 415 Wisconsin villages have a hired administrator. Nine villages, all in the Milwaukee area, are Chapter 64 villages. Thus, in total 53.2 percent of Wisconsin cities have a hired administrator, 15.2 percent of villages have a hired administrator, and a total of 27.1 percent of cities and villages combined have a hired administrator.

There are also numerous Wisconsin counties and towns with professional administrators. Thirty Wisconsin counties have an appointed administrator, while others have a county administrative coordinator with powers given to them by their county board.¹⁰ Though towns were not the focus of this study, we did identify several towns, generally with comparatively larger populations, with town administrator positions. Overall, a focus on Chapter 64 cities can give the impression that professional management is rare in Wisconsin. But in reality, the multiple paths to hiring a professional manager/administrator has made professional management common in Wisconsin local government.

Comparing Cities/Villages with and without Professional Management

As mentioned, 101 out of 190 Wisconsin cities, and 63 out of 415 Wisconsin villages, have a professional manager. In this section, we compare the population, fiscal characteristics, and governing dynamics in cities and villages with and without professional managers. First, we utilize the state of Wisconsin’s Department of Revenue (DOR) County and Municipal Revenue and Expenditure data to compare municipalities by type.¹¹ Note, data for Milwaukee and Madison were removed because their size make them significant outliers that may skew our findings.

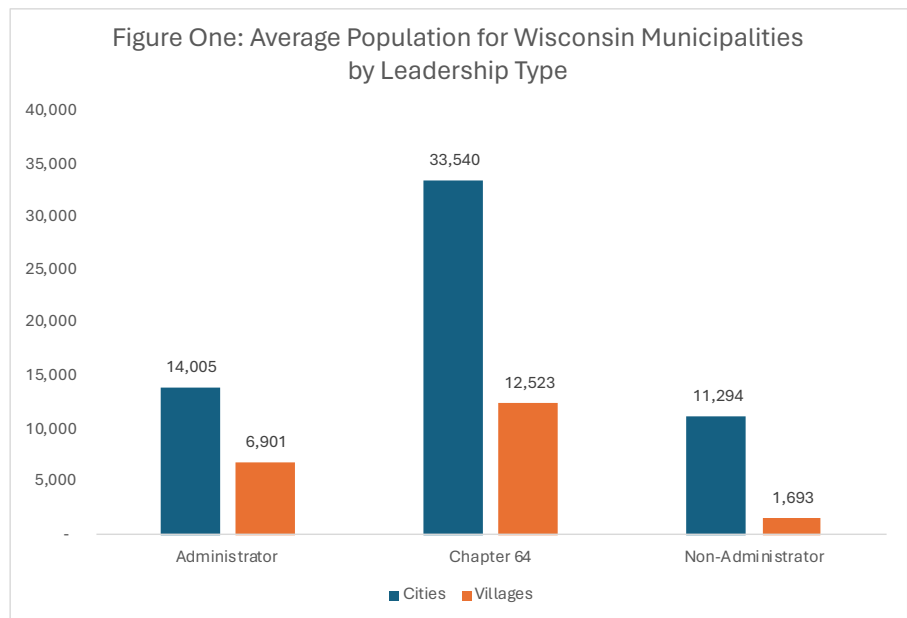


Figure One displays the average population of Wisconsin villages and cities by management type. By far, the ten Chapter 64 cities have the largest populations, with all Wisconsin cities with administrators (Chapter 64 and those with managers by ordinance) being larger than cities without administrators. Villages in general are smaller than cities, with administrator-led villages being significantly larger than villages without administrators.

Table One contains data from 188 Wisconsin cities (Madison and Milwaukee excluded). There are several notable differences between the fiscal characteristics by type. Specifically:

- Administrator cities (those with professional managers) have slightly higher property tax rate per-capita, and lower shared revenues from the state per-capita than non-administrator cities (those without professional managers).
- Administrator cities have comparably lower overall spending per-capita, with Chapter 64 cities spending significantly less per-capita than non-administrator cities.
- Administrator cities, on average, spend more on law enforcement, and less on general government operations, than non-administrator cities.

- Administrator cities carry comparably more general obligation debt per-capita than non-administrator cities,
- Administrator cities have slightly more Tax Incremental Financing (TIF) debt than non-administrator cities, however Chapter 64 cities have significantly less TIF debt than other cities.

Table 1: Fiscal Characteristics of Cities with and without Administrators

Cities	All Administrator	Chapter 64	Non-Administrator
Property Tax Per-Capita	\$ 594.02	\$ 543.87	\$ 528.79
Spending Per-Capita	\$ 1,860.55	\$ 1,556.77	\$ 1,877.23
Law Enforcement Per-Capita	\$ 297.18	\$ 256.72	\$ 267.55
General Obligation Debt Per-Capita	\$ 1,821.59	\$ 1,852.27	\$ 1,437.39
General Gov. Spending Per-Capita	\$ 195.98	\$ 125.76	\$ 205.00
Shared Revenue Per-Capita	\$ 195.09	\$ 210.27	\$ 250.34
TIF Per-Capita	\$ 153.59	\$ 112.73	\$ 144.12

Table Two displays fiscal data comparisons for Wisconsin villages with and without an administrator. As previously mentioned, only 15.2 percent of Wisconsin villages have an administrator, and those that do are significantly larger than those that do not. Villages with an administrator, on average, spend more, have higher property taxes, and receive less shared revenue than villages without an administrator. However, Chapter 64 villages spend less per-capita than non-Chapter 64 villages. Both the city and village comparisons should be interpreted with caution, as differences may be a function of the character of municipalities that choose to have a professional manager rather than a result of government form.

Table 2: Fiscal Characteristics of Villages with and without Administrators

	All Administrator	Chapter 64	Non-Administrator
Property Tax Per-Capita	\$ 872.92	\$ 1,013.70	\$ 382.68
Spending Per-Capita	\$ 2,339.22	\$ 1,978.05	\$ 1,332.15
Law Enforcement Per-Capita	\$ 332.65	\$ 473.42	\$ 101.30
General Obligation Debt Per-Capita	\$ 3,570.41	\$ 2,522.78	\$ 1,112.53
General Gov. Spending Per-Capita	\$ 264.44	\$ 192.23	\$ 227.57
Shared Revenue Per-Capita	\$ 90.70	\$ 44.67	\$ 210.38
TIF Per-Capita	\$ 194.30	\$ 120.43	\$ 92.72

The previous comparison of the fiscal characteristics of cities/villages with and without a professional administrator suggest there are identifiable differences in cities/villages by government form. But what is known about the governing differences between Wisconsin municipalities with an elected mayor in charge of administration, and those with a hired administrator? We discuss this question using two different data sets. The first consists of survey data collected from Wisconsin city council and village board members in 2016. Specifically, the author sent an online survey to 767 local elected municipal board members serving cities and villages with fewer than 10,000 residents. Note that in 2016, 85.6 percent of Wisconsin cities and villages had fewer than 10,000 residents.

The survey was designed to measure board member perceptions of their governance dynamics. Questions were based on previous municipal governance surveys conducted by Heidbreder et al. (2011) and Ihrke and Niederjohn (2005).¹² A total of 202 officials serving 116 Wisconsin cities and villages returned a survey (a 26.3 percent response rate). As a check against response bias, the characteristics of municipalities in the sample were compared with characteristics of the population, and the sample was found to have a mean total tax rate, municipal tax rate, and poverty rate that did not differ from the population. Thus, we have confidence in the representativeness of the findings.

Once data was collected, each response was coded “1” if the respondents served a municipality with a hired administrator, and “0” if they served a municipality with an elected mayor in charge of administration. We did not differentiate between municipalities that adopted professional management through Chapter 64 of the state statutes and those that did so via a local ordinance. This coding strategy relates to the core question of whether there are governance differences between municipalities with a professional administrator, and those without.

Table Three displays the responses to various survey items related to the perceived governance dynamics from local elected officials serving professionally managed municipalities (n=84) and those without a professional administrator (n=115). A t-test comparing the means between groups was conducted to determine where differences were statistically significant at the 95 percent level.

Table 3: Agreement with Governance Statements

To what extent to do agree with the following statements where 1=Strongly Disagree, 2=Disagree, 3=Neither Agree nor Disagree, 4=Agree, 5=Strongly Agree?	Administrator	Non- Administrator
This local government has utilized strategic planning to frame its mission	3.43*	3.09
This local government has a clear emphasis on treating the citizen as a customer	3.81	3.67
This organization has successfully developed clear measures of program/service performance	3.37*	3.09
We view the executive as full partner in the governing process	3.94*	3.76
Organized interest groups have significant influence over board/council decisions	2.21	2.37
Board/Council members do what they say they will do	3.48*	3.29
Board/Council members willingly try new things without fear of ridicule	3.30*	2.93
Board/Council members willingly try new things without fear of retribution	3.39*	2.99
Board/Council members are open about how they feel about other members' preferences	3.37*	3.19
N	84	115

*Statistically different at the 95% level of confidence.

As can be seen, the perceived governing dynamics are generally more favorable for municipalities with a professional administrator. Officials serving cities and villages with professional administrators are more likely to agree that:

- Their local government utilizes strategic planning in framing its mission;
- Their local government utilizes performance measures;
- Their executive is a partner in the governing process;
- Their board colleagues do what they say they will do; and
- Their board colleagues will be open to and more likely to try new things without fear.

Importantly, academic research summarized by the Whitburn Center in a previous report has demonstrated the link between positive governing board dynamics and overall government performance.¹³ Thus, it is notable that officials serving municipalities with professional managers perceive better governing dynamics than those without a professional manager. The results support a link between professional management and better overall government performance.

The second dataset utilized contains survey results from municipal leaders serving Wisconsin local governments. The survey was distributed by Whitburn Center staff in 2023, and ultimately generated 150 usable responses (a 30 percent response rate). A total of 43.9 percent of respondents served cities, and 56.1 percent served villages. The main goal of the survey was to measure the state of the Wisconsin local government workforce through a series of questions about turnover, innovation, and local government needs.¹⁴ A total of 41.3 percent of the sample consisted of professional administrators, while 57.8 percent were elected municipal heads.

Comparisons of level of agreement with several statements, measured on a five-point Likert scale, are displayed in Table Four. Overall, hired managers/administrators are more likely to agree they have the ability to reward their employees when they do a good job. Elected municipal heads are more likely to agree that organizational culture and work/life balance are a barrier to attracting new employees.

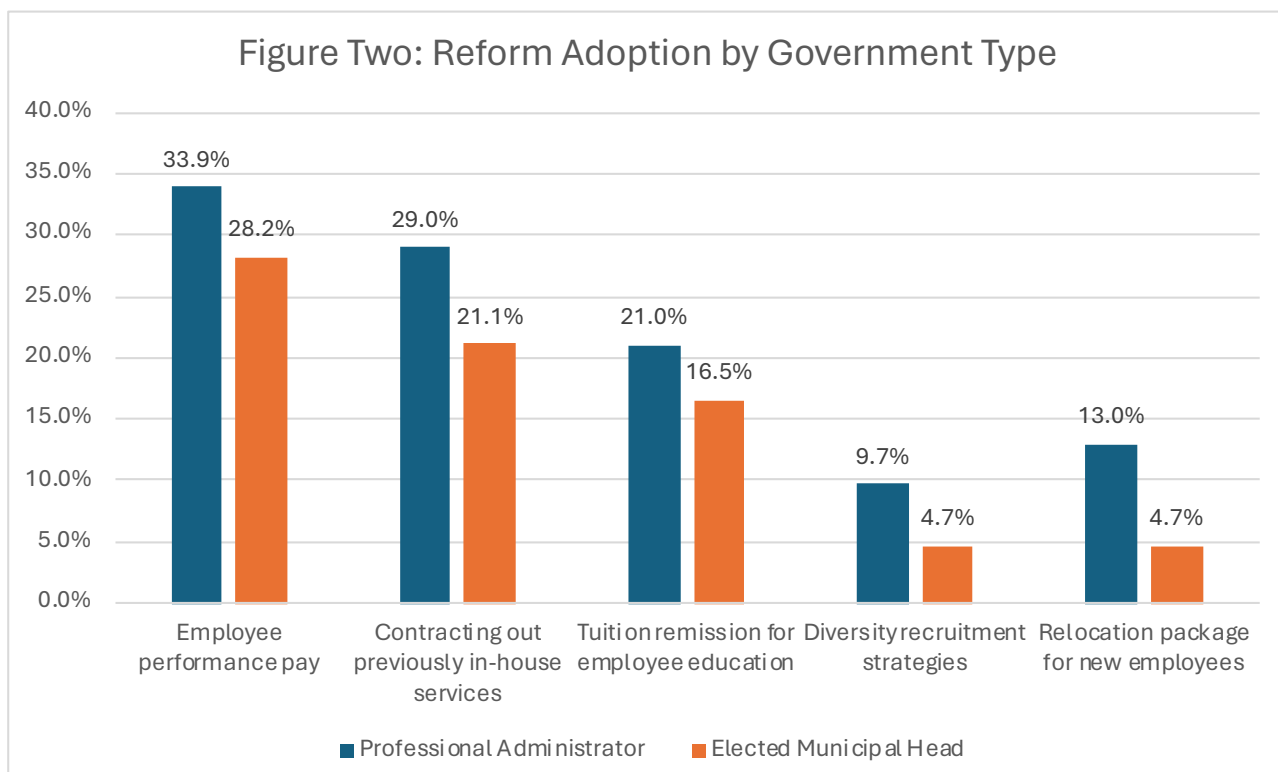
Table 4: Agreement with HR Statements

To what extent to do agree with the following statements where 1=Strongly Disagree, 2=Disagree, 3=Neither Agree nor Disagree, 4=Agree, 5=Strongly Agree?	Administrator	Non- Administrator
I have the necessary resources to do my job well	3.57	3.42
I have the opportunity to “reward” employees that I supervise when they do an outstanding job	2.93*	2.62
Organizational culture is a barrier to attracting new employees	2.38	3.04*
Work/life balance is a barrier to attracting new employees	2.67	3.09*
Employee quality is a barrier to retaining existing employees	2.78	2.92

*Statistically different at the 95% level of confidence.

Figure Two displays a comparison of reforms respondents indicated they adopted during the past two

years. Hired professional administrators are more likely to have adopted reforms in general, and specifically more likely to have adopted employee performance pay, tuition remission for employees, and to utilize relocation packages and diversity recruitment strategies. In addition, administrator led cities and villages have a lower reported employee vacancy rate: 2.7 percent compared to 4.2 percent.



Overall, the presented data suggest administrator led cities and villages have comparatively better governing dynamics, lower employee vacancy rates, fewer perceived barriers to employee attraction, and higher rates of reform adoption compared to cities and villages with an elected municipal head. We again caution that the presented data could be a function of the types of cities and villages that choose to be professionally managed. There is also a possibility that the identified advantages are a result of an increased stability coming from having a hired professional administrator as opposed to an elected one. Regardless, the presented results do support previous research showing benefits to professional municipal management.

Paths to Professional Management

A city manager/administrator form of government is not for every municipality. The local culture, tradition, and likelihood of acceptance for a professional manager form of government is important for communities to consider. However, the presented data suggest cities and villages struggling with attracting employees, struggling to implement government reforms, or struggling with high conflict councils/boards could benefit from a professional manager.

The mechanism of switching government form is detailed in state statute. Adopting a Chapter 64 form

requires a new charter ordinance, which can only be done through a 2/3rd majority legislative vote that can be subject to a referendum. The Chapter 64 route also could limit the ability to tailor the manager/administrator position to local needs, and communities should make sure the state requirements for Chapter 64 cities are consistent with their goals. The other, and more common route, is a local ordinance that allows a city or village to customize the manager/administrator position. Though simpler, it is important that communities are clear in their ordinance that the manager/administrator is the chief administrative officer, so as not to create role confusion.

The Wisconsin City and County Management Association (WCMA) has a model ordinance that can serve as a starting point for communities seeking to change their form of government (See: <https://www.wcma-wi.org/DocumentCenter/View/5/Sample-Ordinance---Creation-of-City-Admin?bidId=>). In addition, the Whitburn Center Governance toolkit contains model job descriptions for council members and administrators designed to prevent role confusion (See: <https://uwosh.edu/whitburn-center/wp-content/uploads/sites/211/2022/10/WhitburnGovernanceToolkit9.20.pdf>). Finally, communities seeking a change in government form are wise to connect with peer cities and villages operating with a professional manager as part of a public education campaign to address frequent misconceptions about government reform.

In conclusion, professional management of local governments is common in Wisconsin. The national evidence, and the Wisconsin-specific data presented in this report, detail some of the benefits of having a professional manager/administrator led government. If interested in learning more, there are resources available from ICMA, WCMA, and the Whitburn Center for Governance and Policy Research at the University of Wisconsin Oshkosh.

Endnotes

- 1 Lincoln Steffens (1904). *The Shame of the Cities*. New York: McClure, Phillips & Co.
- 2 Robert A. Burnham (2001). Executive Authority and City Charter Reform. Book chapter in *Making Sense of the City*, edited by Robert B. Fairbanks & Patricia Mooney-Melvin. Columbus, OH: The Ohio State University Press.
- 3 Nollenberger, K., & Simmons, J. (2016). Municipal government structure in Wisconsin: Does form matter? *Journal of Public and Nonprofit Affairs*, 2(2), 82-100.
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- 5 <https://www.oshkoshwi.gov/BudgetFinancials/2021/2021ACFR.pdf>
- 6 Carr, J. B. (2015). What have we learned about the performance of council-manager government? A review and synthesis of the research. *Public Administration Review*, 75(5), 673-689.
- 7 Nollenberger, K., & Simmons, J. (2016). Municipal government structure in Wisconsin: Does form matter? *Journal of Public and Nonprofit Affairs*, 2(2), 82-100.
- 8 See: <https://docs.legis.wisconsin.gov/statutes/statutes/64>
- 9 See: <https://docs.legis.wisconsin.gov/document/statutes/66.0101>
- 10 https://legis.wisconsin.gov/LRB/media/1211/090_local_government_in_wisconsin.pdf
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- 13 <https://uwosh.edu/whitburn-center/wp-content/uploads/sites/211/2022/10/WhitburnGovernanceReport.pdf>
- 14 More information about the survey is available here: <https://uwosh.edu/whitburn-center/wp-content/uploads/sites/211/2023/08/GovernmentWorkforce8.30.23.pdf>