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***Strategic Planning in Territorial Authorities:
progress and prospects***

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Abstract

Over recent years, territorial councils have had to adapt to changes in their operating environment. Many of these changes have been brought about by legislative requirements, namely the Local Government Amendment Act (1989) and the Resource Management Act (1991). Other pressures include the increasing demands from central government to adopt more market-driven philosophies and changing expectations of service provision from local communities.

A small number of territorial authorities initiated strategic planning exercises in mid-1990. These exercises involved staff, councillors and local communities in what appeared to be relatively significant and distinctive processes, culminating in strategic documents.

This research aims to establish whether these strategic planning exercises will be useful to TAs in their policy and decision-making processes. The research aim was influenced by a number of factors including: the lack of any substantial practical guidance and TA experience in strategic planning, the questionable nature of transferring private business sector experience to local government and the viability of private sector strategic planning in the institutional context of local government.

The principal research methods used were grounded on an investigation of theory related to strategic planning, institutional context of local government, and the role of strategic planning. These aspects of theory were translated into a review of practice of three TAs. Assessments were made of TAs' institutional context, their approach to strategic planning, and their perceived role of strategic planning. These results provided the means for assessing the relationship between institutional context and the role of strategic planning. The research data was collected by conducting interviews with management staff and councillors and reviewing the strategic plans of four TAs

The key research findings provide mixed messages in offering a conclusion to the research aim of establishing if strategic planning is useful to TAs in their decision-making. On one hand, strategic planning used in broad role can be an extremely useful process for improving the quality and implementation of policy decisions. However, to achieve benefits from a broader role of strategic planning, it must be accompanied by a particular institutional context. Adapting the institutional context to facilitate the use of strategic planning presents many challenges, but also highlights many old problems within local government. Strategic planning may simply provide a catalyst to find solutions to some of these old problems.

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Chapter One

Introduction

1.0 Setting the Scene

The aim of this thesis is to determine the role of strategic planning in the management of the territorial authority environment and any necessary prerequisites for strategic planning to be useful for policy and decision making. This issue has become increasingly important since the 1991 review by the Office for the Parliamentary Commissioner for the Environment (PCfE) on Kapiti Coast District Council's (KCDC) environmental planning and management. The need to plan strategically is seen as providing a basis for annual and district plans, and providing overall direction to the organization's activities¹.

A combination of factors occurred in the local government² environment which added impetus to the PCfE's recommendation to plan strategically:

- the legislative requirements of the RMA 1991 and the LGA 1974 and amendments provide a framework for the application of strategic planning
- pressure for higher standards in environmental outcomes by the public and legislation.

The combined nature of these environmental changes requires a holistic approach to decision-making and management. Strategic planning is a useful tool for focusing an organization on the big picture.

The review of KCDC highlighted environmental problems such as: sewage pollution of waterways, encroachment of urban subdivision on to flood-prone land and predicted water supply problems. These focused the attention of PCfE on council practice deficiencies including decision-making not considering long term impacts on levels of debt or environmental outcomes, a lack of asset and infra-structural planning and poor channels of communication with the public.

¹This compares with a report one year earlier for Gisbourne District Council (PCfE 1990), regarding systems and processes for environmental management made no mention of strategic plans, only annual and corporate plans.

² The definition of local government throughout this text refers to territorial authorities in New Zealand.

The review provided justification of why strategic planning will be useful for rectifying organizational deficiencies and subsequently the management of environmental problems. The review contains prescriptive guidance on what should be considered in a strategic plan.

Strategic planning is useful for two reasons:

1. In a political sense where, strategic planning is targeted to rectify the lack of strategic thinking at a political level (PCfE, 1991, 11), and it helps to ensure that the values of the community are embodied in council decision making, (PCfE, 1991, 11).
2. In an operational sense:

"where the council's policy making function is reflected in the outcome and priorities established in a strategic plan: the goals, activity objectives (outputs) and performance standards contained in its annual plan and the objectives, policies, and rules contained in its district plan. In time one would expect to find strong linkages between all documents." (PCfE, 1991, 9).

Prescriptive guidance can be gleaned from the PCfE review general discussion (PcfE, 1991, 9-14). Strategic planning should:

- be politically focused by incorporating community values and the underpinning principles of the RMA into council policy and operations
- provide consistency between plans (i.e. annual and district), policies and objectives
- be flexible in terms of review and maintaining operational significance
- consider the long term
- identify important issues and consider priorities
- be consultative by involving the community in identifying and prioritizing issues and in "vision" setting.

An analysis of the territorial authority's environment and the forces that shape that environment provides possible clues as to why strategic planning is being adopted. The plans need to reflect the role of territorial authority's and principles of local administration. The research question and objectives have been shaped around this wider view of the territorial authorities environment and the place of strategic planning within it. The following section provides a definitive research problem and associated research objectives centered on establishing the role of strategic planning in ameliorating these issues.

1.1 Statement of Research Problem and Research Objectives

Research Problem

Is strategic planning useful to territorial authorities for policy and decision-making?

Objective One

Identify the key elements of strategic planning developed in the private business sector.

Question:

- What are the key theoretical elements of an approach to strategic planning?

Objective Two

Establish the role of strategic planning from theory, with reference to the institutional context of local government.

Questions:

- What are the notable features of the institutional context of local government?
- What roles for strategic planning are identified in theory?

Objective Three

Assess the institutional context for each territorial council.

Objective Four

Assess the territorial authorities' approach to strategic planning against the theoretical elements developed in objective one.

Questions:

- What are the essential elements of a territorial authority's approach to strategic planning?
- Have adaptations occurred to strategic planning as a model to suit the purposes of a territorial authority?

Objective Five

Assess the territorial authorities' perception of the role of strategic planning against the theoretical elements identified in objective two.

Questions:

- What is perception of the role of strategic planning in both governance and management of a territorial authority?
- What are the the potential benefits that can be gained by a territorial authority?

Objective Six

Establish and reconcile the relationship between the territorial authorities' institutional context and the territorial authorities' perception of the role of strategic planning.

Question:

- What is the relationship between the role of strategic planning and the institutional context that it is being applied within?

Having defined the research problem and objectives, the following section provides a discussion on the use of substantive theory and research approach in answering the questions posed above.

1.2 Research Methods

The interrelationship between the research objectives, research process and methods and the chapters is summarized in figure 1.1. The research focuses on six objectives to derive a final conclusion that fulfils the research aim.

Objectives one and two are centered on identifying the relevant aspects of theory which is investigated on three fronts: political theory, private business sector strategic planning theory and the role of strategic planning in local government.

The research approach seeks to answer the 'strategic prerequisites' aspect of the research problem in the following manner. Private sector strategic planning theory is used to provide a benchmark with which to assess the territorial authorities' initiatives and to provide recommendations on an ideal approach.

The research approach seeks to answer the 'role of strategic planning' aspect of the research problem in the following manner. Political theory has been combined with theory surrounding the expectations of strategic planning in local government. The intent of combining theory, is to

assess the relationship between the political and decision-making contexts and the outcomes expected from strategic planning. For example, the context may be more, or may be less supportive to achieving expected outcomes under strategic planning.

The research methods used to fulfil objectives three to six were based on: the findings from the literature review, a selection process for research participants, the use of interviews, analysis of planning documents and processes for assessing and presenting the research results.

The selection process for research participants involved a pilot study identifying the strategic initiative of territorial authorities across New Zealand. Four territorial authorities were selected: Palmerston North City Council (PNCC), Waitakere City Council (WCC), Masterton District Council (MDC) and North Shore City Council (NSCC). The respective names of the strategic documents reviewed were: Palmerston North Draft Strategic Plan (1995), Waitakere City Greenprint (1995), Toward Twenty Twenty – Strategic Plan Masterton District Council (1995), and Directions 1995-2015 Strategic Plan North Shore City Council. Selection of these councils was made on the basis of:

- a decreasing order of scale from a very large city council (population 155,500) through to a smaller district council (population 22,900)
- difference in strategic approach between participants
- management staff and councillors' willingness to be involved in the research.

The participants within each TA were selected on the basis of providing a balance between the perspectives of management staff and councillors. For each TA one senior manager (i.e. generally the manager of strategic planning) and one councillor (i.e. generally the chairperson of the planning standing committee) were interviewed. Key organizational members were selected to gain insight on the role of strategic planning within each TA. In total, four officers, five councillors and two majors were involved in the interview process.

The methods used to underpin the research approach include the combined use of directive qualitative and quantitative data collation and analysis techniques. These techniques were applied consistently to four councils studied. The qualitative component utilized semi structured interviews and textual analysis of the four TAs' strategic documents. The quantitative component utilized a textual analysis of the majority of New Zealand territorial authorities' most recent annual and strategic plans. This particular analysis was used for selecting potential participants in the research.

The key method used to analyse the research data collected for the four case studies were case dynamic matrices. The framework to which the case dynamic matrices have been applied was determined by the research fit presented in Diagram 1.1. Four matrices were produced to record the research data for the following research objectives:

- political context matrix
- strategic planning initiatives matrix
- adaptation of private sector model matrix
- perceived role of strategic planning matrix.

The matrices facilitate the assessment of three core sets of research results. These are: the position of each case study on a political continuum, the position of each case study on a continuum of strategic approach and the position of each council on a continuum of the perceived role of strategic planning. Further detail on how the data was managed and scored is in Appendix VI.

Scoring the database involved this researcher's subjective judgement on the position of each TA on each political and strategic approach continuum. This introduces the possibility of a variation in the interpretation and treatment of criteria taken from the strategic plans. However, methods used in this research attempt to minimise these problems and provide transparency as to the derivation of results.

The quantitative methods used in the study provide an excellent means of translating a large amount of qualitative data into a digestible and transparent format. However during the process of conversion a degree of information loss occurred. For example, assumptions made on the weightings assigned to the qualitative data could potentially mask or distort actual practice. To reduce information loss all the information sources were assimilated in a concentrated session. This was followed by the immediate recording of the findings against the research criteria contained in the database.

Finally, the small number of case studies limits the degree of drawing conclusions for local government as a whole. However, as the councils studied represent a crosssection of approaches to strategic planning, there is no reason why their experiences cannot be transferable to other territorial authorities.

Figure 1.1 Research Methodology

Objectives	Research Process and Methods	Chapters
	Research Aim	Chapter One Introduction
Identify the key elements of strategic planning as developed in the private business sector	Literature Review Review of the institutional context of local government Review of strategic planning as carried out in the private business sector Identify the role of strategic planning in TA's	Chapter Two: Institutional Context
Establish the role of strategic planning with reference to the institutional context within which it is being applied		Chapter Three: Strategic Planning - private business sector theory
		Chapter Four: The Role of Strategic Planning in TA's
Assess the political context for each TA	Research TA strategic planning case study reviews: review of TA annual plans, interviews with councillors and senior management staff, review of strategic plans. Mixture of qualitative and quantitative methods used.	Chapter Five: Presentation and analysis of Research Results
Assess the TA's approach to strategic planning against the key elements identified from theory		
Assess the TA's perceived role of strategic planning		
Establish the relationship between the TA's institutional context and the role of strategic planning		
Is strategic planning useful to TA's for policy and decision making	Conclusion	Chapter Six: Conclusion

Chapter Two

Institutional Context of Local Government

2.0 Introduction

If strategic planning is to be applied to the arena of local government it is necessary to understand the nature of the political environment within which it will be used. To determine the validity of strategic planning as a decision making tool for both political executive and senior management, requires prior knowledge of the influential political philosophies that may determine the success of strategy application and realization. Political theory provides a foundation for understanding the pressures and influences that will shape strategy. The review that follows gives local government a political point of reference by defining:

- the central state and the possible relationships that can co-exist between central and local states
- democracy as a guiding political philosophy for local government, highlighting the tensions and tradeoffs
- the political role of local government and influences on this roles.

2.1 Defining the Modern State

The idea of the modern state was first constructed in Western Europe between the mid-sixteenth and mid-seventeenth centuries (Dunn, 1992, 247). It provided a common structure for the political core of a given society, incorporating all the rightful citizens of a given territory but remained distinct in character from the people or the government or the lands (Dunn, 1992, 247). The idea of the modern state was to deny that any given population had either the capacity or the right to act together either independently or against the sovereign (Dunn, 1992, 247). Thomas Hoddes was instrumental in originating the idea of the modern state to deny democratic claims to rule or even take genuine political action, whether claims were advanced under secular or religious inspiration (Dunn, 1992, 248). As Held puts it;

'...the state became the burden individuals have to bear to secure their own ends, it is also the basis upon which it is possible to safeguard their claims to equal rights and liberties' (Held, 1995, 145).

The political climate that existed during this period was one that did not engage the adoption of inalienable human rights, so the burden of state seemed an acceptable one. Consequently political movements organized around the concept of popular sovereignty developed. They thought in terms of representative government within a nation state, bounded by a written constitution in order to protect the rights of citizens against the state, (Dunn, 1992, 71).

Hampton (1991) raises two issues that direct the discussion towards considering the different form of state that may exist.

First, there is the problem of how the state should be conceptualized. One tradition of political philosophy supports an abstract concept where the state takes on the qualities of a tangible object. Within this expression individuals achieve their being as part of a greater unity reflected in some purpose of the state (Hampton, 1991, 236). This is embodied in such phrases as "in the interests of the state."

In contrast, Greek political thinkers sometimes contrasted the authority of laws with that of the demos (less trustworthy human agents) who held temporary dominance in a particular community. They noted that there was something quite specific and simple about the continuity and dependability of political life in a particular locality and that there was not anything dramatically abstract about the nature of that political life (Dunn, 1992, 247).

Ralph Miliband builds on this view by suggesting 'the state' is not a "thing", but stands for a number of institutions which together constitute its reality and interacts as parts of what may be called the state system (Hampton, 1991, 237). The state is not assumed to have interests over and above the interests of citizens who comprise it.

The second problem of 'who controls the state' becomes important when adopting Miliband's argument that describes the state as a set of institutions. Three answers are considered, these being; the constitutional approach, pluralist or liberal approach, and Marxist approach (Hampton, 1991, 237, Held, 1995, 50).

The constitutional approach traditionally focuses on the basis of law, in terms of who has the right to make and enforce a legal structure for the regulation of public and private life (Held, 1987, 55). That is, in the case of the English constitution the legal right of the Queen in Parliament to make or unmake law. The matter of control is not seen to be problematic (Held, 1987, 56). There is an emphasis on institutional arrangements and formal electoral processes, with the elected supporting a government within the framework of a constitution (Hampton, 1991, 237). For all practical purposes the Crown is the Government of the day and embodies the state.

Constitutions define the proper forms and limits of state action, and its elaboration over time as a set of doctrines and practices has been critical to the development of European liberalism: that state intervention in citizens' lives should be minimized (Held, 1995, 50).

The pluralist or liberal approach concentrates on political processes (Low, 1991, 83) that attempt to uphold the values of freedom of choice, reason and tolerance in the face of tyranny and absolutist³ systems, restrict the powers of state, and define a uniquely private sphere independent of state action. (Held, 1987, 41, Hampton, 1991, 238) The building blocks of the liberal state became constitutionalism, private property, the competitive market economy and the distinctively patriarchal family (Pateman, 1975). Saunders (1981, 130) suggests three fundamental principles underlie this pluralist theory.

1. Independence - the state is independent of any one section of the population. Madison wrote of the risk of representative rule in that it could develop into a powerful exploitative faction. He considered a balance was required between under-representation "to guard against the cabals of a few" and over representation "to risk the confusion of the multitudes" (Held, 1987, 64).
2. Accountability - elected officials are accountable to the population as a whole.
3. Value consensus - political power is exercised on the basis of a societal value consensus and that power is widely distributed among different groups. Social diversity helps create political fragmentation which prevents an excessive accumulation of power (Held, 1987, 64).

Dahl's views on dispersed inequalities of political resource such as; wealth, access to information, social standing, and legitimacy of public office, are dispersed enough to ensure that no single group in the community can secure a monopoly. The system is not anarchic for it operates within a vague political consensus to which all major community groups subscribe.

Critics of pluralist theory claim that inequalities in power do exist in our society. Pluralist theory exaggerates local autonomy by excluding important regional and national actors and it ignores the potential abuse of power to prevent an issue from being politicized (Femia, 1975, 31). This ability to influence is even more effective when power or political resource does not have to be used at all.

³Absolutism: the absorption of smaller and weaker political units into larger and stronger political structures. Absolutist rulers claimed they alone held the legitimate right of decision over state affairs.

Gramsci's concept of hegemony highlights this view, stating there is ability to,

' shape, directly or indirectly, the cognitive and affective structures whereby men perceive and evaluate problematic social reality' (Femia, 1975, 31).

The Marxist approach denies the basic premises of pluralism, and considers the basis of particular forms of society in the nature of the economic production process (Hampton, 1991, 240). The dynamic of socio-political change arose in the class conflict between the owners of the means of production and those they exploited. The state viewed its principle function as reproducing capital and labour relations, that is, to allow the workers to retain a sufficient level of their produce to reproduce the labour-power relations necessary for the system to continue (Hampton, 1991, 244). The state becomes an expression of the interests of the dominant class in any given society, namely the proletariat (Hampton, 1991, 240, Held, 1995, 52).

Dunn (1992, 155) concedes that one of the principle factors leading to the discrediting of this form of state was its neglect of meaningful democracy. As a result, all sorts of distortions of the system arose; irresponsible officials, remote politicians, economic shortcomings and corruption, legal abuse, human rights violations, and an inability to respond to popular grievances.

In summary the relationship the state has with the population is predetermined by:

- the constitutional building blocks of law that have been put in place, enforcing a legal structure for the regulation of public and private life
- a written constitution that provides protection to citizens from the state
- some pluralist principles that ensure political process embodies the values of the individual such as freedom of choice.

Underlying tensions exist in how the state is conceptualized, whether it takes on a 'life of its own' with the citizens acting within its purpose, or is constituted by legal and institutional interactions with the question of control becoming more complex. Marxism highlights the former with the state regulating the conditions for capital accumulation, and pluralism the latter where the state limits its involvement with the individual, relying on political process to diffuse power and free market mechanisms to provide individual choice. Tensions exist within both theories, namely the potential for class conflict and the dispersal of political resource or power.

Given the variable elements that constitute a state and the tensions within, it is not a fixed entity or totally predictable, so therefore the relationships between the state and other institutions will be dynamic.

2.2 The Relationship of Central State and Local Government

Hampton (1991, 236) poses two basic theoretical questions that anchor a starting point within a tradition rich in controversy and debate. These questions are:

4. What is the relationship of local government to the state?
5. In what respects can the concept of the 'local state' have meaning?

Considering the first question, local government is regarded within the constitutional approach as a creature of parliament: created to discharge the policies of central government (Hampton, 1991, 238). Local government becomes an extension of the state arm, or an *agent of the state*. Local authorities can do nothing without statutory authority. They have no general capacity to act in the interests of their communities, being bound by the ultra vires principle (Butcher, 1990, 18). This principle in effect allows central government - or any citizen - the right to intervene either to prevent a local authority pursuing a policy for which it has no legal authority, or to insist that it carry out a statutory duty (Hampton, 1991, 174).

However it is accepted by many that local government has an influence on the determination of central policy and exercises some discretion in its local activities (Griffith, 1966, 17-18). Thus the relationship is one of partnership between central and local government. Burns recognizes that if the character of political innovation embraces liberal democratic principles or pluralist approach, then local government becomes the site of political struggle and innovation. Dahl (1961, 228) adds weight to this view by claiming that in a liberal state, political resources are dispersed to a large number of competing groups ensuring no one group in a community can secure a monopoly.

Dunleavy's critique of Dahl points out that inequalities in power do exist in our society, noting the influences of regional and national actors on local politics (Dunleavy, 1980, 31) and the social reality of Gramsci's concept of hegemony (Femia, 1975, 31).

Cockburn (1977, 2) follows a neo-Marxist argument suggesting that local government is hemmed in or '*structurally determined*' by the power of corporations, financial and capital markets and higher levels of government (Burns, Hambleton and Hoggett, 1994, 10). She denies the possibility

of independent action by local government stating 'councils are unable to respond to any interests but those of the ruling class'.

Duncan and Goodwin (1988, 34) point out that if the local state is always subject to the national state then why does conflict arise between the two and what are the conditions for it⁴? They recognize two contradictory social processes of local government, that of 'agent' and 'obstacle' to the state, in contrast to Cockburn's 'one way agent' stance.

Some theorists recognize conditions where conflict occurs between national and local state as 'play within the structure of state'. The degree of 'play' determines the scope for local political action and initiative. Cockburn believes that no system of democratic self-realization is left, which suggests a disbelief in any substantial 'play within the state structure'.

Cockburn goes on to cite public participation as the means of incorporating protest into the strategies of state. There is evidence to support her view that elite perspective won out over various local initiatives in the United Kingdom during the 60s and 70s, and participation served to build consensus for those in power (Hampton, 1991, 242). Assuming that elitist perspective can win out over local protest, a state/local government relationship that is aligned with capital or market interests may be incompatible to local self-determination or autonomy.

In contrast some writers have suggested that capital and markets are always embedded in specific social and political relations and that different localities have the potential or ability to create the space for local political initiative (Burns, Hambleton and Hoggett, 1994, 12). Local governments can also choose to ignore the space that may be available to them, accepting imposed boundaries and not the external constraints⁵. However they also acknowledge that central government plays a crucial role in shaping and delimiting that space.

The second question, '*what respects can the local state have meaning*' can be approached from the assumption that a '*partnership*' relationship with central government embodying pluralist

⁴Cockburn (1977, 51) suggests that there are divisions within the dominant class and that the state is not tightly in control of circumstance because it is continually having to cope with a changing balance of power: "Through capital and the state structure the situation of struggle, they by no means always have the *initiative*." Duncan and Goodwin are suggesting that local government may consider itself to be in a situation where it can provide initiative where the state can't or won't, thus creating tension between the two.

⁵In some cases local government does not challenge unpopular central government mandates in the face of widespread citizen protest, e.g. poll tax in the U.K.

principles such as the dispersal of power and the notion that 'play' within the state exists, would enhance the value of local government to its community.

This value is derived from the normative literature that elected local government is valued and that this value evolves from a local government's ability to influence the autonomy or self-determination of its community. It is claimed that the more active local bodies will promote the interests of their areas and help strengthen the fabric of community (Hampton and Bowman, 1983, 71, Debnam, 1979, 311).

'The idea of democracy derives its power and significance from the concept of self determination: that is from the notion that members of a political community should be able to choose freely the conditions of their own association, and that their choices should constitute the ultimate legitimization of the form and direction of their polity' (Held, 1992, 145).

John Stuart Mill celebrated local government for its ability to enhance equality by providing access to political office and political activity for wider groups of people than accommodated by national politics. Hill (1974, 23) claims that local government is the prime element in democracy and has an intrinsic value regardless of the functions it may carry out. Further consideration of the principles of democracy and autonomy provides an understanding of local government potential and actual role in the community and establishes why democratic theory should be normative guidance to local government.

2.3 Modern Representative Democracy

'Democracy is in essence a very simple idea: simple in its appeal and power, and simple, too, in its severe and ineliminable limitations.' (Dunn, 1992, v).

The power and appeal of democracy comes from the idea of autonomy - of choosing freely for oneself, however much of the distrust and sense of disappointment in democracy is aimed at human freedom itself (Dunn, 1992, vii). Dunn explains that although there is a degree of apprehension associated with the freedom of any human being, communities must act on the common need of how to act together more effectively. This is essential if communities are to face and deal with obscure and complicated challenges.

The Athenians' answer to, 'why demos?', was that it made freedom possible by enabling citizens to live in freedom, to live as they individually and collectively chose. (Dunn, 1992, 256). The Swiss philosopher Benjamin Constant stated that the liberty of the ancients rested on secure

institutional guarantees of individual rights (Dunn, 1992, 243). Also 'isegoria', the equal entitlement to speak freely in public affairs is a principle brought forward into modern democracy (Dunn, 1992, 8).

Dunn claims that Athenian demos offers no practical or plausible solution for organizing modern states in a capitalist world economy. What has survived from the ancient democratic experience is a diffuse and urgent hope: the hope that human life and the settings in which unfolds may come to be a matter of committed personal choice and less a matter of forced compliance with impersonal and external demands. (Dunn, 1992)

John Stuart Mill (1806-73) set the course for modern liberal democratic thought with the inextricable links between individual liberty and equality through liberal democratic or representative democracy (Held, 1987, 85). His thoughts generated a defense for many of the key liberties associated with liberal democratic governments.

In his influential study, 'On Liberty' (1859), an important distinction between liberty and independence is made (Held, 1987, 86). This distinction is highlighted where committed personal choice requires the subject to act less according to his own pleasure and consequently being less subject to the will and pleasure of others. Rousseau makes the point;

'Whoever is the master over others is not himself free and even to reign is to obey' (Keane, 1984, 255).

Mill was concerned with the need to establish the nature and limits to power, which can be legitimately exercised by society over the individual, but recognized that some regulation in individual lives is necessary. However, he qualified the need to politically or socially interfere with individual liberty only when to act (or fail to act) concerns others, and then only when it 'harms' others. Ryan (1974) views Mill's principle as problematic because it is difficult to define what constitutes 'harm to others'.

Dahl (1982, 138-139) asks the question;

'Is it possible for the citizens in a democratic society to conduct themselves in their public affairs so that the interests of each are harmonious with the interests of all?'

He suggests it may be possible given the existence of a 'civic consciousness' which presupposes an underlying commitment from individuals to a public or collective good. Cultivating this underlying public spirit is a difficult task, with many solutions based on social, political or

organizational structural change. Dahl points out that such structural change is loosely coupled with 'civic consciousness', and it appears for example, that neither capitalist nor socialist economic structures have brought about the civic orientation their advocates hoped for.

Dahl also investigates the way in which civic orientations towards the public good are influenced by the scale of political life. He claims that democratic pluralism becomes more problematic given a larger more heterogeneous population and consequently civic orientations become unlikely, perhaps impossible to develop. Theorists frequently ignore the difference of scale in political life and apply what may be theoretically feasible in a small-scale democracy to a large scale one (Dahl, 1982, 140). This widens the gap between political theory and practice when considering proposals for solving democratic pluralism and deformations in civic consciousness.

Democratic pluralism is a universal problem in all modern democracy, where independent organizations are highly desirable and at the same time their independence allows them to do harm. Dahl (1982, 31-33) views the desirable aspects of organizational pluralism as: facilitating the fulfillment of basic human needs such as: sociability-kinship, intimacy-birthplace, personal integrity-occupation and: curbing hierarchy and domination by:

- making the costs of domination too high
- breaking down hierarchy through devolution and the autonomy of organizations from the hierarchy
- providing a necessary prerequisite for the operation of large-scale democracy.

Dahl (1982, 31-33) considers some problems associated with democratic pluralism. The first problem is that it can stabilize injustice; for example when organizations are not broadly inclusive in their membership, conferring advantage on their leader and sometimes members. Pluralism may also subvert civic consciousness by expressing and giving strength to particular interests and associations which impede the expression of the general will. Dahl also expresses concern that pluralism may alienate final control over the agenda. For example, representatives in modern democratic countries find it extremely difficult to assert sufficient control over wayward sub-systems. Finally, the unequal resources that allow an organization to stabilize injustice may also enable them to exercise unequal influence in determining which alternatives are seriously considered. This can distort the public agenda.

Dahl (1982, 6) lists five criteria that would satisfy an ideal theoretical democratic process, and bear on the problem of democratic pluralism. These are:

1. Equality in voting.
2. Effective participation allowing adequate and equal opportunities for expression of preference to final outcomes.
3. Enlightened understanding allowing adequate and equal opportunity to arrive at a judgement.
4. Final control over agenda ensuring that the will of the demos isn't undermined by delegated authority making decisions in a non-democratic manner.
5. Inclusion, i.e. the demos ought to include all adults subject to its law, except transients.

Pennock (1979:207-209) outlines two sets of conditions that are necessary for the successful formulation and survival of democratic regimes. The first being, the quality and characteristics of the political elite and the higher levels of political activism. The second relates to the political development toward democratic institutions, assisted, for example, by the development of a strong sense of national unity. Pennock points out that along with these two principle conditions exists a whole raft of other conditions that may precede the establishment of democracy. He believes none of these conditions constitute a necessary and sufficient condition for democracy. This highlights the complexity and uncertainty with conceiving the type and mix of conditions essential for establishing and sustaining democracy.

Dunn (1992, 245) cites appeal and viability as two reasons for liberal democracies' ideological triumph; its appeal as an idea and its practical viability as a particular mix of economic, social and political arrangements. Modern representative democracy conveys the belief of a safe modern state, where anarchy is suppressed to allow a coherent system of political authority, but insinuating appeals of the idea of popular self rule with the implicit notions of freedom of choice and liberty. Dunn claims this fine balance of practical and illusionist elements has worked effectively by securing three political goods:

1. Moderate government and a system of rule that fetters government power (for example, a bill of rights or a written constitution).
2. A modest measure of government responsibility providing collective security.
3. A reconciliation of the need for effective rule and political legitimacy with the requirements of private ownership and market exchange at a domestic and international level.

David Hume states that the structure of property rights on which a market economy fundamentally rests will inevitably clash with the natural workings of human sympathy (Hont and Ignatieff, 1983). Writers such as David Hume, Adam Smith and Max Weber are effectively

advocating the protection of the rich from the poor via monopolizing political legitimacy, with the aim of securing collective benefits of private capital ownership and possibly a more stable or manageable form of state (Dunn, 1992, 251).

This serves to highlight the disharmony between constitutional representative democracy and capitalism. The protection of private property rights as a system secures the collective benefits of freedom of choice, liberty and supposedly provides for human suffering and deprivation (Dunn, 1992, 251-252). Marx's conception of capitalism is that it does not adequately address socio-economic inequality, and serves to strengthen the power of the elitists at the expense of the freedom and liberty of non-elitists. Rousseau's conception of democracy is that the law and policy must be based on the 'will of all' (Held, 1987, 172). Schumpeter (1976, 251) defends competitive elitism or economic choice by attacking the idea of the common good. He claims that in a modern economically differentiated and culturally diverse society, there are bound to be different interpretations of the public good.

Dunn (1992, 254) claims that both representative democracy and capitalism are both in essence offering the individual free choice. These choices are:

- political choice which governs the content and enforcement of public law with the aim of achieving liberty and the collective good for the citizens concerned
- economic choice which takes the form of individual decisions with the implication that virtually everything is for sale. Some goods of greatest importance are irretrievably public, being supplied in a collective manner (for example through taxes).

The problem of making a choice between the two is that there is no account of: why capitalist economies can be trusted to work in the long term interests of participants; and why public decision making should be trusted to identify and secure the public goods required? (Dunn, 1992, 254)

Dunn suggests that a reconciliation between the two choices may never be possible and concedes it is far from clear why representative democracy has had such striking success in providing defence to economic choice. This has been perhaps at the expense of an imaginative, appealing democracy.

The two questions highlight whether there is a need for an enlightened citizenry, that has the ability to participate in political processes, or a politically disinterested citizenry concerned mainly with political choice. Liberal theorists, such as Dahl, Madison and Schumpeter believe that participation by the majority of citizens is unimportant; it may even be harmful to the

preservation of individual rights and liberties and the limitation of the power of state (Martin and Harper, 1988:53). They argue that an apathetic, disinterested populace is a positive virtue in a democracy (Pateman, 1975, 7). The viability of the democratic process is best guaranteed when only a minority of citizens actively participates in political decision-making (Martin and Harper, 1988, 53). Schumpeter maintains democracy is not concerned with the realization of ideals such as justice, liberty, community or self government, but is merely an arrangement for reaching political decisions (Pateman, 1975, 4).

In contrast, radical democratic theorists such as Barber, J.S. Mill and Pateman argue that a high level of participation is essential for the establishment and maintenance of an authentic democratic polity (Martin and Harper, 1988, 50). Barry (1973, 135) claims that a wider input into public debate from the polity arguably results in better decision-making. He bases this assertion on the potentially distinctive contribution that every individual has to make to the formulation of public policy and the need for individuals to help discern, clarify and protect the public interest. Radical democratic theorists also argue that there is a close relationship between the political institutions of a society and the values and character of its citizens. Mill advocates an essential requirement for good government is the promotion of the right kind of individual character and this in turn is dependent on the right kind of political institutions (Pateman, 1975, 29, Kelman, 1987, 80-94)

A criticism often leveled at radical democracy is the difficulty in a large polity for all the people to be deeply involved in politics (Martin and Harper, 1988, 52). The main answer, has been the advocacy of strong, vigorous local government.

2.4 Devolution - a Role for Local Government

Democratic theory acknowledges that local government can, or does play an important role in strengthening democratic process and practice. Autonomy and devolution⁶ are key principles in democratic theory and further consideration of these principles provides arguments for why and how local government should be something other than an 'agent or partner of the state'.

⁶Autonomy refers to the degree with which local government can act independently of central government.

Devolution or decentralization refers to the delegation of decision-making authority to lower levels of government or community groups.

Burns, Hambleton and Hogget (1994, 7) argue strongly for local government to be an 'agent for the community', and establish this argument at two levels.

The first level considers the barriers to local government autonomy, namely structural determinism and democratic pluralism. The writers argue that local government is not altogether structurally determined, and play within the state does exist. Consequently local government attention should focus on local polity if it wishes to foster a vigorous civic culture, and improve the quality of life of its citizens. Councillors and officers must focus on improving the quality of governance, as well as service delivery (Burns, Hambleton and Hogget, 1994, 30).

The second level calls for the devolution of local government powers and decentralization of functions to the community. The principal reasons for decentralizing are to provide an alternative to the market model, or economic choice⁷ and to close the gap between the institutions of local government and the people they are intended to serve (Burns, Hambleton and Hogget, 1994, 6). Essentially the authors wish to balance individualistic, selfish modes of behaviour accentuated by the market with collective concerns, or 'civic consciousness'.

To intensify collective concerns and so bring about a viable alternative to the market model it is argued there is a need to 'extend democracy' (Burns, Hambleton and Hogget, 1994, 22). The extension of democracy can be achieved by directly involving the public in decision making or decentralizing aspects of management to communities.

Empowering, or giving voice to members of the public by directly involving them in council decision making. Figure 2.1 distinguishes four approaches to strengthen voice through democratic processes (Burns, Hambleton and Hogget, 1994, 35).

⁷See Burns, Hambleton and Hogget (1994, 25) for a criticisms leveled at the competitive model as applied to local government.

Figure 2.1 Ways of strengthening voice in local government

1. *Improving representative democracy:*

voter registration drives, open government, citizens' rights at meetings, and better support to councillors.

2. *Extending representative democracy:*

area committees of councillors based on wards or groups of wards strengthened community boards.

3. *Infusing representative democracy with participatory democracy:*

co-option on to committees, neighbourhood committees of councillors and representatives from community and disadvantaged groups.

4. *Extending participatory democracy*

e.g. funding of non-statutory groups, community development, user-group participation, valuing grass-roots movements.

Source: Burns, Hambleton and Hogget, 1994, 35

In each of the four approaches, participation is an important component for strengthening voice in local government, however the nature of participation changes between the approaches. The degree of citizen empowerment achieved from participation will increase the first to the fourth approach. Arnstein's ladder of participation (Burns, Hambleton and Hoggett, 1994, 157) indicates the nature of participation; for example, the approach of 'extending participatory democracy' results in high degrees of citizen control.

Decentralization focuses on the role of the corporate (management) section of council to extend democracy. Burns, Hambleton and Hogget (1994, 111) provide four dimensions which councils can pursue to replace traditional bureaucratic forms of organization with decentralized ones.

Figure 2.2 Organizational Dimensions of Decentralization

1. *Localization of service delivery*

e.g. the spatial dispersal of productive operations, requiring the dismantling of control derived from the hierarchy of offices.

2. *Flexibility of roles within the organization*

e.g. reversing the trend towards maximal specialization of jobs and functions.

3. *Devolved management*

Decentralization should impact upon strategic levels of management along with operations. What is often seen is the decentralization of operations and the centralization of command.

4. *Organizational and cultural change*

e.g. a shift from regimented and over regulated regimes, to those that function on the principle of freedom within boundaries. Managing the organization culture is important if staff are to develop a degree of self-regulation.

Source: Burns, Hambleton and Hogget 1994, 111.

The approaches displayed in figures 2.1 and 2.2 are concerned with improving the quality of governance, and the quality of local public service. These two tasks are closely linked because, ultimately it is political voice that provides an important source of external pressure to influence the public service the organization will provide (Burns, Hambleton and Hogget, 1994, 153). As the degree of citizen empowerment increases through the various types of participation, so does citizen control. Initially citizen control can occur over operational practices, leading to control over expenditure decisions and finally over policy frameworks and strategic objectives for specific services. Citizen control over operations and expenditure is inextricably linked to devolved management, and occurs with the use of public goods, programs, and services. Whereas control over strategy is directly linked to centralized control of the local authority itself and possibly higher levels of government (Burns, Hambleton and Hogget, 1994, 159).

'Whoever controls strategy controls the script, because resources and operational practices tend to flow from the former and not the other way round.' (Burns, Hambleton and Hogget, 1994, 159).

2.5 Role Shapers - Theories of Local Government Reform

A brief review of the motivating and theoretical forces behind central and local government reform provides a good basis for understanding how the post-reform environment may have precipitated a greater interest in the use of strategic planning within local government.

An International Perspective - The New Zealand reform process was derived in a decade when the international political setting (especially in the United Kingdom and the United States of America) was strongly influenced by neo-liberal thought, derived largely from Friedman and Hayek (Chicago school) and reflecting Adam Smith's classical liberal thought of some 200 years ago. This resurgence of a new-right political philosophy was vitalized by two factors.

The first factor was that state regulation and public sectors represented a serious obstacle to integrated global capitalism (i.e. the post Fordism era) (Martin, 1993). Hence a combination of conservative politics, liberal economics, and impetus from big capital interests brought about change. The second factor relates to the view that public/state ownership is intrinsically flawed (Dunn, 1992, 254, Hendry, Johnson and Newton, 1993, 295). The main reasons for this view are:

- profit is absent as a means for measuring efficiency
- despite the intentions, there is a failure to meet distribution goals
- waste and corruption occurs at public sector level
- there is a lack of longer term initiative necessary for successful enterprise
- general issues of poor management, attitude and culture which have evolved over time.

In New Zealand neo-liberal reform has promoted the quest for greater efficiency in the manner in which government conducts its affairs and the type of activities it engages in. Regulation by the market-place (compared to legislation) has been singled out by central government as an extremely important factor in achieving these gains. Local government reform has to a large extent paralleled the wider structural, organizational and management changes within New Zealand's core public sector (e.g. commercialism, corporatisation, the contracting-out of services, the decoupling of advisory, regulatory and delivery functions and new accountability mechanisms). The major forces that have converged to set this reform process in motion were:

- fiscal imperatives

- a general ideological shift to the right crossing party lines and the support of key political ministers
- the quest for greater accountability of the bureaucracy and the political executive
- the strong influence of analytical frameworks on the policy advice given by departmental officials based on an analytical framework grounded in public choice theory, managerialism and the new economics of organizations, most notably agency theory and transaction cost analysis (Boston, 1988, Hood, 1990, 205-214).

The significant philosophies underpinning these analytical frameworks are:

1. Public choice theory.
2. New public management.

Public choice theory, variously referred to as social choice theory, rational choice theory and the economics of politics, has had an immense impact on political science, public policy, and public administration during the past two decades (Mitchell, 1988, 101-119). McLean, (1988, 377-394) notes, public choice theory has focused on four major themes:

- the problems of aggregating individual preferences
- studies of formal social choice, focusing particularly on the spatial theory of voting
- studies focusing on individuals as rational actors, seeking to explain how these actors behave in various institutional settings with different incentive structures
- the analysis of collective action problems (i.e. individual interests produce sub-optimal outcomes for the collectivity).

The central tenet of the public choice approach is that all human behaviour is dominated by self-interest (Buchanan, 1978, 17). Individuals are utility maximizers. Hence, just as businesses supposedly seek to maximize their profits, government officials supposedly maximize their departmental budgets, while politicians seek to maximize their votes. This school of thought leads to the general aims of minimizing the role of state, limiting the discretionary power of politicians, reducing public monopolies, curbing the functions of government agencies, and maximizing liberty. There is little doubt that public choice theory - with its emphasis on curtailing budget-maximizing and producer capture - has influenced changes brought about by reform, in particular the drive to decouple policy advice from policy implementation (Boston 1991, 10).

New public management - Boston, Martin, Pallot and Walsh (1991, 9) summarize a set of central features or 'doctrines' of new public management, or managerialism (Aucoin, 1990, 115-137, Painter, 1988, 1-3, Yeatman, 1987, 341-353).

- an emphasis on management rather than policy, i.e. stressing management skills rather than technical or professional skills
- a shift from using of input controls and bureaucratic procedures and rules to a reliance on quantifiable output measures and performance targets
- the devolution of management control coupled with the development of new reporting, monitoring, and accountability mechanisms
- separation of commercial and non-commercial functions and policy advice from policy implementation
- a preference for private ownership, contracting out, and contestability in public service provision
- the limitation of private sector practices such as the use of short term contracts, the development of corporate plans, performance agreements and mission statements, the development of management information systems and a greater concern for corporate image (Burns, Hambleton and Hogget, 1994, 36)
- a stress on efficiency, and productivity gains through resource rationalization and the application of technology.

Boston, Martin, Pallot and Walsh (1991, 11) note that new public management has found expression in a variety of areas in local government. These include efforts to be more responsive to their consumers; the application of private sector terminology and practices; the emphasis on cost cutting and labour discipline; and the introduction of a new financial management system. It is possible that new public management theory has influenced the adoption of strategic planning in local government.

Theory challenged - Both public choice theory and new public management can be challenged on a number of grounds (Barry, 1965, Dunleavy, 1990). First, the idea that competitive self-interest dominates human nature and that normative considerations are virtually irrelevant is both untrue and potentially damaging. Self-interest is a powerful motivation, but not the sole motivation influencing human behaviour. In short, humans are more than mere economic beings, but also political, cultural and moral beings, influenced by their beliefs, attitudes, aspirations, and ethical standards (Boston, Martin, Pallot and Walsh, 1991, 13). Any theory which ignores the

broader contextual factors, social relations and normative commitments is at best incomplete and at worst misleading (Dore, 1983, 459-482; Sen, 1977, 317-344).

Secondly, public choice theory does not consider whether it is best to limit opportunism or to take it for granted and organize institutional and monitoring arrangements (Boston, 1988, 13). Hood (1986, 10) suggests that opportunism is potentially encouraged by;

- the move away from tenure to short-term employment contracts,
- the introduction of performance related pay,
- the greater use of outside consultants,
- the exalted position of managers,

may change the ethos of public service employment and encourage narrow self interested behaviour, thereby increasing agency costs. Hood indicates that institutional mechanisms can be used to reduce opportunistic behaviour, such as: encouraging staff to take a longer-term perspective of careers, and cultivating a corporate culture of enterprise and solidarity.

Thirdly, the general predictive power of public choice theory has been found wanting in many areas of social and political life (Bendor and Moe, 1985, 755-774, Boyne, 1987, 79-104, Self, 1989, 23-35, Dunleavy, 1986, 13-34). Boston points out that studies such as 'Niskanens budget maximization hypothesis'⁸ have received little empirical support and that there is a need for theories to take into account a wider range of considerations, particularly the importance of ideas and values, in explaining human behaviour and policy choices.

For example; by abandoning the assumption that politicians, bureaucrats and voters are entirely self-interested, removes the problem of 'capture' from centre stage. The efforts to immunize the political system against vested interests, (i.e. by decoupling policy-making and policy-implementation and an emphasis on transparency and contestability) should be directed towards ensuring that the decision-making arrangements are open and fair. The separation of policy-making and policy-implementation does not always facilitate acceptable policy outcome, nor does it deal with all forms of capture in the bureaucratic context (Boston, Martin, Pallot and Walsh, 1991, 260).

New public management has been the subject of a growing number of rebuttals. It can be argued that there are tensions between the various strands of thought that comprise the new public

⁸Bureaucrats are only interested in maximizing the size of their departmental budgets.

management (Boston, Martin, Pallot and Walsh, 1991, 20). Hood (1990, 212) notes that the managerialist tradition entails a degree of centralized control, whereas public choice theory puts a strong emphasis on devolution and decentralization. Public choice theorists also claim that responsiveness to customers and clients can be a thin disguise for capture by sectional interest groups. Aucoin (1990, 126) observes the differing perspectives of the bureaucratic problem, whereby managerialism essentially aspires to remove central controls over management and public choice theory works towards reasserting executive power over a dominant and independent bureaucracy.

Finally, managerialists assume that the principles of private sector management can and ought to be applied to the public sector, even in the face of crucial differences between the sectors (Gunn, 1988; Lane, 1988). Boston, Martin, Pallot and Walsh (1991,21) notes that these differences have critical implications to the management of local government and the exercise of public power. He also adds that it is wrong to assume private sector practices are better than those of the public sector, arguing that the public sector should not model itself on the private sector practices but rather develop its own distinctive governance structures, employment arrangements, and monitoring procedures. If this development does not occur, new public management runs the risk of generating policy proposals that are politically insensitive, and possibly unacceptable.

In summary - local government has been immersed in an environment of reform that is underpinned by some significant philosophies. While the classic tensions summarized in figure 2.3 maybe more obvious to local government decision-makers, the analytical frameworks underlying reform are perhaps less obvious.

The analytical frameworks discussed above present a set of conflicting signals that may influence the derivation, execution and outcomes of local government policy initiatives. If individual councils wish to pursue deliberate policy directions, it is essential that they interpret how analytical frameworks such as public choice theory and new public management conspire to shape the outcomes of their policy directives. For example:

- The introduction of efficient private sector management practices is not always suitable in the local government environment. They cannot always deliver politically acceptable outcomes or policy. The introduction of strategic planning falls into this category where adaptation of a private sector tool to fit a local government environment may be necessary.

- New public management fosters a strong centralized core of management, as opposed to the devolvement of power espoused by public choice theory. It is possible that a strategic planning process could be used to support centralized and/or devolved power.
- Policy advice and implementation being strongly linked rather than separate as advocated by public choice theory. What effect does this have on integrating strategic policy through to implementation?

Figure 2.3 Elements of the Tension between Collective Good and Economic Choice

	Social or Collective Good	Individual Liberty (Economic Choice)
Arguments for Reform	<ul style="list-style-type: none"> • Local govt. has mis-managed public capital interests - leading to inefficiency, loss of potential wealth within the economy. • Organizational Paternalism • Bureaucratic problems - irresponsible - remote. 	<ul style="list-style-type: none"> • Private commercial sector manages capital more efficiently through market mechanisms. • Economic gains to economy • Accountability mechanisms • Introduction of private sector management principles.
Tensions of Reform	<ul style="list-style-type: none"> • Democratic pluralism is not maintained through loss of political voice • Little collective influence over the management of capital - market externalities & failure. 	<ul style="list-style-type: none"> • A focus on economic voice strengthens individual liberty • Efficient allocation of capital through market mechanisms – aggregate of individual exit & entry decisions.

2.6 Conclusion

Strategic planning has been deployed since the 1960s within the private (commercial) sector, where political ambiguity and the concept of democratic voice do not command the same observance. Thus, the success of its application to the local government sector will be fettered by how it is adapted for use within a complex political and organizational environment. Gaining

acceptance and ownership of a strategic plan and processes could make development and implementation a more difficult task within the local government environment⁹.

The theories of state discussed above lay a foundation of political thought that has broad implications for the power-relations that exist between the state and local government. These relations subsequently influence the types of political thought and action practiced at a local level. A combination of constitutional and liberal political theory provides a rough guide as to the essential elements required to attain balance within these power relations. However, there is a clear warning of the complex problems inherent with democratic pluralism, emphasizing that power relations are never totally static.

The problems of pluralism highlight the critical importance of power relations between central and local government. The site and control of power largely determines the role that local government undertakes for its local community. Theorists are split in their arguments over whether local government has any significant power to influence citizen well-being to any notable degree. For example, the continuum in diagram 2.4 indicates two extreme positions in the level of autonomy local government can have from central government. Moving to the far left of the continuum places local government in the position of having no autonomy. Essentially, local government becomes 'structurally determined' by the laws and policies set by central government, and becomes an appendage of the state or, "agent of the state".

Moving across to the right of the continuum supports the notion that degrees of autonomy do exist for local government due to the existence of 'play within the state', demonstrated by the conflict that occurs between central and local government. The relationship of local government with central government tends towards 'partnership'.

At the far right of the continuum central government has transferred much of its power to local government, providing a high degree of autonomy. In this position local government becomes an 'agent of the community', and has 'extended' participatory democracy in order to strengthen local voice.

All three scenarios have theoretical and less certain practical consequences for the democratic process, and to a lesser extent for the operation of the free market economy. The specific pressures and tensions that exist between the different types of democratic process, and between

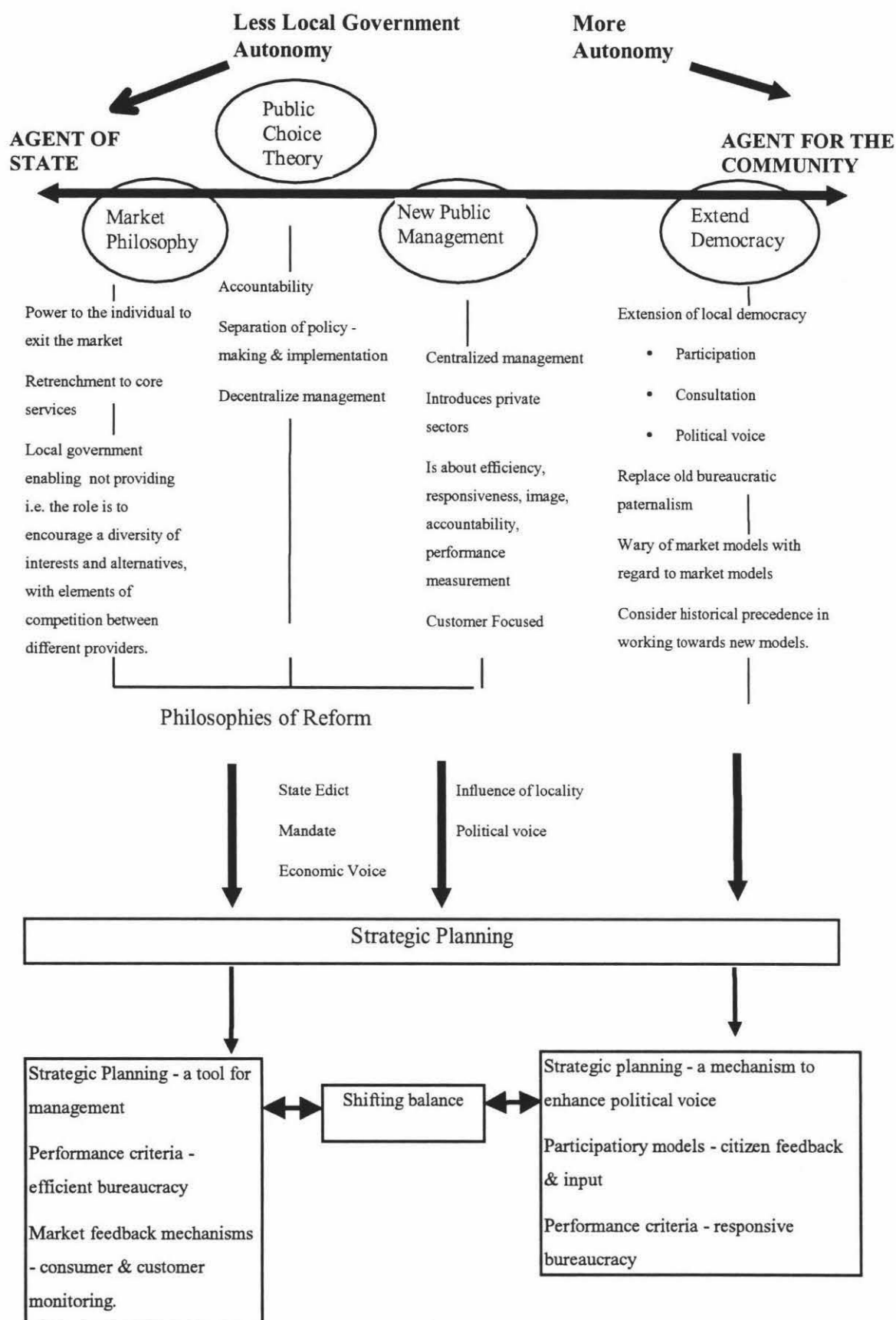
⁹This is discussed in more detail in chapter three.

democracy and capitalism itself, will vary at the local level in accordance with the position local government assumes on the continuum in figure 2.4.

In New Zealand, local government has been cited as being an 'agent or partner of state' (Hampton and Bowman, 1983,68) thus the influence of central edict (i.e. reform philosophies) impacts significantly on the role of local government. As a consequence reform has pushed a neo-liberal ideology down to local government, leaving them to either embrace this ideology, or, partially accept it by meeting only the 'bare bones' of legislative requirements and continue to focus on contrasting local initiatives. As already discussed, the effects of reform on local government democratic processes could be significant. Empowerment of citizens is more likely to be achieved from individual economic voice if market and liberal philosophy has been adopted. This creates a tension with political voice, where local government wishes to maintain or foster an active role for citizens in defining public good.

In terms of strategic planning, the question can be raised of whether it is being used as a management tool to secure more efficient outcomes and strengthen economic choice, or is it being used to empower citizens and local government by extending participatory democracy and thereby strengthening the ability to define and maintain public good? Or, is strategic planning being used to serve both purposes?

Figure 2.4 A Continuum Of Political Approach - For Local Government



Chapter Three

Strategic Planning – private business sector theory

3.0 Introduction

The focus of this chapter is on identifying from strategic theory, the common elements necessary to develop a strategic framework¹⁰. This theory evolved from a private (commercial) sector perspective and practice, so there are questions as to its applicability within the local government environment. This question of applicability is avoided by considering strategic planning in isolation of the political and administrative environment of local government. The problems and constraints that may be encountered from applying private sector strategic planning are dealt with in the subsequent chapters.

3.1 Strategic Planning Theory

Ansoff (1969, 11) recognized that, since the early 1950s business managers had become increasingly concerned with finding rational and forward-looking ways of adjusting to and exploiting the increasing variability and unpredictability of the business environment. A range of management techniques and systems developed as a result, based on an elevated understanding of the relationship between business and the environment. This problem of relating business needs to environmental fit and coping with uncertainty became increasingly referred to as the strategic problem of the firm (Ansoff, 1969, 11).

In many ways strategic decisions can be considered the basic determinants of success for a firm. For example, if a firm's products are directed at an inappropriate market, or resources committed increasingly to a market which turns out to be in decline, then even the best organization structure and operational expertise may fail to achieve a desirable end (Ansoff, 1969, 15). Thus, the ability to think strategically and to translate that thinking into management decisions, particularly

¹⁰Definition of terms:

Strategy - encapsulates vision, mission and goals

Strategic planning - determining the means of what, where and when.

Strategic decisions - investment decisions, resource deployment (structure of assets)

Strategic management - short term tactical decisions in areas of discretion with reference to strategy.

investment decisions, while reducing future uncertainty are important competencies that organizations must embody. Before such competencies can be deliberately developed a firm must be familiar with the concept of strategy, and the nature of competence required to yield effective strategy.

One early definition of strategy was provided by the American business historian Alfred D. Chandler (1962) as follows:

'.... (strategy) is the determination of the basic long term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of the resources necessary for carrying out those goals.'

Chandler subscribes to the view that strategy is as much about defining goals and objectives as it is about providing the means for achieving them. The overall purpose of strategy is to guide and direct the inception, growth and change of organizations as they conduct their activities. A clearly articulated, accurate and understood strategy is at the hub of most successful commercial and public activities, where clarity of purpose is essential to success (Pettinger, 1994, 125). Specifically, the need for strategy is based upon the overall requirement to manage resources effectively and efficiently. There is also growing realization among those responsible for directing organizations that these resources must be coordinated and controlled towards agreed policy objectives (Pettinger, 1994, 125).

Johnson and Scholes (1988) define strategy as concerned with:

- the scope of an organization's activities
- the matching of an organization's activities to its environment and to its resource capability
- the allocation and reallocation of major organizational resources
- the values, expectations and goals of those influencing strategy
- the long term direction of the organization
- implications for change throughout the organization.

Strategic management may then be defined as

' the process of making and implementing strategic decisions ' (Bowman and Asch, 1987).

Ansoff and McDonnell (1990) differ from Chandler's early formula by separating goal setting (concerned with ends), from strategy (concerned with means). They provide the following definition of strategic management as:

'... a systematic approach for managing strategic change which consists of the following:

1. Positioning of the organization through strategy and capability planning.
2. Real time strategic response through issue management.
3. Systematic management of resistance during strategic implementation.'

Unlike some of the earlier texts, this definition favours an adaptive approach to strategic management where watching the process in operation and making appropriate changes is essential. The first point relates to how the organization coordinates its resource commitment within the search for opportunities. Ansoff (1969, 22) notes that an influential factor in determining the scope of search is the affinity (or synergy) between search areas and the present position of the firm. The second and third points relate to the importance of reconciling the short term with a strategic approach. Thus, strategic management is about making short-term responses that encompass operational activities of an organization, as well as preparing for the future (Cole, 1994, 2).

Cole (1994, 2-3) defines strategic management as:

'...a process, directed by top management, to determine the fundamental aims or goals of the organization, and ensure a range of decisions which will allow for the achievement of those aims or goals in the long term, whilst providing for adaptive responses in the shorter term.'

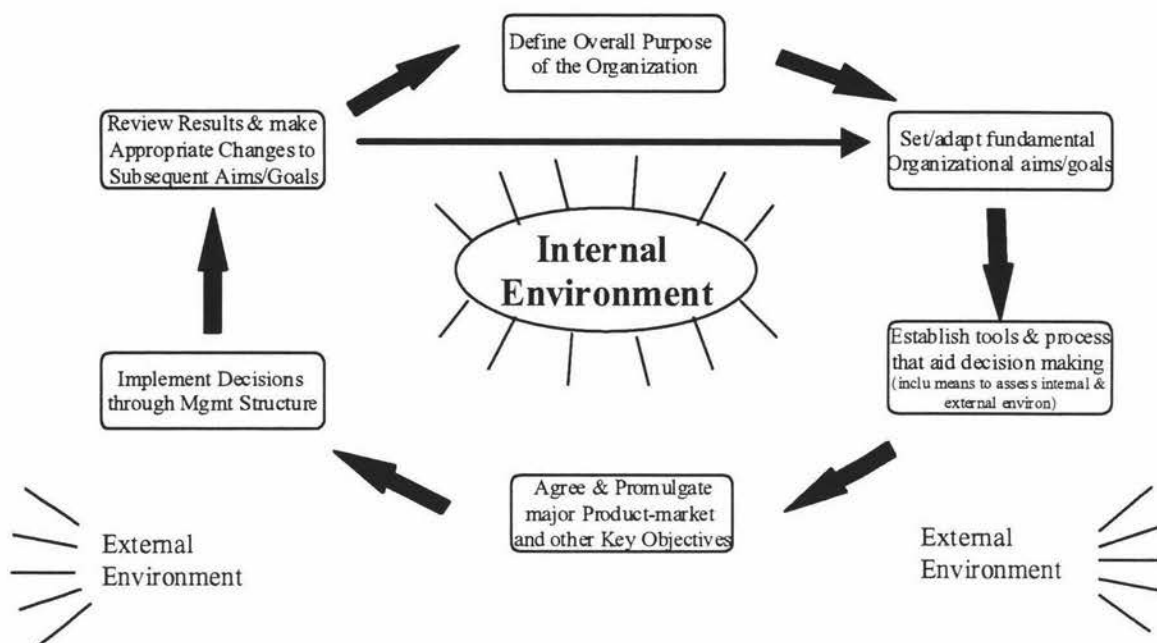
He justifies his definition by recognizing that planning approaches provide the necessary discipline and components that are useful for providing frameworks for strategic thinking and act as springboards for addressing the problems of managing strategy within the external environment of an organization.

Cole underpins this definition with a rational planning view of strategy based on a simple strategic management cycle. Even though there is criticism of rational strategic planning frameworks, Johnson and Scholes (1993) acknowledge a range of benefits, following their critique of rational planning.

'...however, the discipline and components of planning approaches can be useful because they provide a framework for strategic thinking; and if managers also address the problems of managing strategy within the social,

cultural and political world of organizations, then such thinking can be very helpful.'

Figure 3.1 Strategic Management Cycle



In summary - a common set of elements flow through this introduction to strategy, as do a number of differences and tensions. The common elements are:

- strategy is a necessary competence in the pursuit of success
- strategy incorporates longer-term perspective into today's decision-making
- strategy is focused on the organization resources in terms of allocation and capability
- strategy is a dynamic reaction to the external environment, therefore requires a management effort that incorporates change and is adaptive.
- a strategic framework imposes disciplines of thoughtfulness and consistency on business management.

However, a strategic planning approach to management differs from shorter-term variants and may create a new set of tension. The differences and tensions are:

- time frames - the reconciliation of short-term operational expedience with longer term aspirations

- goals versus actions (or implementation) - does an organization have the means of achieving set goals, and when do those goals become unrealistic? For example Prahalad suggests an organization can leverage its resources in order to achieve the seemingly unachievable. On the other hand, over-stretching or unrealistic goals can lead to misallocation of resources, jeopardizing the future of a business
- strategy has been captured by and is part of the rational planning model, which is incremental in nature, may constrain thinking, and, while it may obscure significant directional shifts in the external environment, it may also limit innovation.

3.2 A Framework for Strategic Planning

From the above review of strategy, strategic planning and management, the concept of a strategic framework can be extracted. Due to the number of approaches available for developing strategy, and the range of perspectives promulgated in the name of strategy, even strategic frameworks may differ. However, in a general sense each includes these essential components:

- balance between rational and intuitive approaches
- consideration of the long-term
- alignment with a core set of skills and or assets
- acknowledgement of change
- identifying and incorporating strategic issues
- vision.

Strategy - A Matter of Balance - The tensions existing within strategy suggest the need for a strategic framework that employs a balanced perspective, thereby ameliorating the effects of polarized approaches. Mintzberg (1991) sees strategy as containing a set of five interrelated factors - the five Ps, which he sees as necessary for balanced planning. This balance is provided by a combination of plans, ploys, positions, patterns, and perspective. The first three provide structure and the mechanisms necessary for a rational-logical planning approach to strategy.

As Cole (1994, 5) puts it - 'as in many other areas of life, good planning comes down to a question of balance'. Mintzberg (1991) provides this balance within patterns and perspective, where the softer intuitive and visionary approaches are incorporated, thus allowing more scope for management to optimize strategy and avoiding the worst constraint of a rationale analytical approach to strategic planning. Mintzberg's strategy elements are also linked to strategic change

(discussed below), where plans and ploys are seen as deliberate strategies, while patterns are seen as emergent strategies.

Johnson and Scholes (1993) categorize a number of different views of strategy, which support Mintzberg's view that balance is required to achieve successful strategy. They range from a logical incremental approach in which strategy comes about through highly systematized and evolutionary forms of planning, through to cultural and visionary views based on the beliefs, experiences and assumptions of individuals and groups within an organization.

In summary, the level of balance between functional or analytical approaches compared with behavioral or intuitive approaches, is an important characteristic of a strategic framework. A view of strategy that solely focuses on one approach has shortcomings in its ability to cope with:

- uncertainty and opportunism in the case of the rational approach
- providing management with instructive techniques for strategy formulation in the case of the intuitive approaches.

The Long Term perspective: - Hussey (1982, 41) views change of any type is anathema to most human beings. There is comfort and a feeling of security in following the time worn and well-known route (Festinger, 1957). One might almost define a natural law of human inertia, which can only be overcome by the restlessness and creative urge possessed by people of vision. Looking to the future satisfies three conditions: First, it warms people to the concept of change, reducing resistance to when and if it actually arrives. Second, it provides a vehicle with which to attain vision when encapsulated within a strategic framework (Hay 1990, 75-76). Third, it facilitates the incorporation of future events into today's decision-making arena, thereby moderating the effect of change on people by capitalizing on opportunities and mitigating or avoiding threats (Steiner, 1963, 11).

Hussey claims that there can be only one justification for the introduction of strategic planning incorporating a long-range perspective into an organization - a belief that it can lead to improved results, which can be equated to increased profit, or providing service at lower costs (Hussey, 1982, 10). He goes on to suggest that unless there is a strong belief in the ability of a longer-term perspective to help improve results, strategic planning should not be introduced.

Two research studies undertaken by The Stanford Research Institute, and P. Irving (Hussey, 1982, 11-15), as to why certain companies achieved substantially higher growth rates, identified amongst other factors that a longer term planning perspective:

- narrows uncertainty and off sets extreme risk
- provokes a thought process highlighting strengths and weaknesses
- allows for smoother and quicker changes in direction, especially where sizeable investments and lead-times are concerned.

Bryson (1993, 16) identified some specific benefits that a longer-term perspective brings when used within a strategic planning framework. In particular, he makes the point that a longer term planning perspective makes today's decisions in the light of future consequences. This has the effect of reducing risk, increasing certainty, and assisting in political appeasement by helping decision makers to justify policy.

The reduction of risk is a theme common to the combined thoughts of Bryson and Einsweiler (1988), and Denning and Lehr (1971). Pettinger (1994, 133-134) develops this further by linking the accurate and timely assessment of risk to the recognition and appraisal of a range of potential outcomes, that have varying degrees of acceptability to decision makers. This does not mean that risks are not taken, but rather that informed judgements are made allowing:

- a truer range of outcomes to be assessed
- more accurate contingency plans can be drawn up
- any future matters arising from issues in hand can be dealt with from a position of relative strength and certainty.

Hussey (1982, 39-41) takes a broader perspective by recognizing that it is the company's changing external environment that shapes these events (or outcomes). He believes that it is essential for the company to relate itself to its environment and to identify in advance the threats and opportunities (or levels of risk) which environmental change brings. The thought processes that highlight internal strengths and weaknesses are strongly influenced, by these external threats and opportunities and the level of risk is represented by the possible consequence of a measured response or non-response. Hussey believes subjecting an organization to a process of longer term planning is the only satisfactory way of negating risk in a dynamic environment.

Eden (1993, 118) describes a conceptual framework that is also founded upon the notion that strategy development is about discovering how to manage and control the future. However he differs from other theorists with his focus on capturing the experience and wisdom of organizational members and how they believe an attractive vision of the future can be attained. Pettinger (1994) touches on this when he acknowledges that there is a role for management

intuition when gauging possible outcomes and that value sets and experience are built into assessing paths of action.

Strategic thinking is thus concerned with identifying how to intervene in the tendency towards incrementalism in the organization and its relationship with the environment. The information generated is the outcome of managers thinking about the future, a process that involves creating new perceptions about the relationship between the organization and the environment (Hendry, Johnson and Newton, 1993, 118).

Core Competency and Organizational Alignment - Theorists and business managers recognize that companies each have a distinctive skill set, knowledge and asset base that has been shaped by their individual histories. Along with these assets and skills an organization has an image and identity that provides position, status and prominence in the sphere in which it operates (Pettinger, 1994, 132). Peters and Waterman (1982) simply view the main part of an organization's activity as '*sticking to the knitting*'. However, accurately identifying what the 'knitting' is may not be straightforward. Core business can translate into a public sector - equivalent 'core service'. In either case, the central task requirements are identified, with a common understanding of what these are and an agreeable commitment to them (Pettinger, 1994, 132).

Prahalad and Hamel (1990, 79-91), in considering how companies that came late to global competition, have overcome scale, skill and other resource disadvantages, identified that they focused their resource commitments on core competencies. In this way they accelerated learning in areas that could be applied across competitive arenas. This allowed them to leverage their resources and to build competitive advantages. Many of these companies effectively relied on alliances, partnerships and other forms of collaboration to access or to acquire competencies they did not have, and to do it faster and with fewer resources (Hamel, Doz and Prahalad, 1989, 133-139, Hamel, 1991, 83-103).

Bryson (1993, 11-16) recognizes that for an organization to achieve a desired state requires the implementation of strategies that are the product of evaluating a blend of external environmental factors, and internal core competencies. An organization's internal strengths and weaknesses are influenced to a large degree by the ability of its members (through their skill, knowledge and present strategy) to achieve desired outcomes within the external environment. Included among this skill and knowledge set is the ability to, capitalize on opportunities that can increase an organization's success in a turbulent environment and control the external environment in order to

reduce uncertainty¹¹(Hay, 1990, 384). An organization must decide what skills and assets it wishes to maintain to secure a position of strength, while still preserving the ability to maintain levels of profit or service provision and the ability to seize opportunities as they arise (Hay, 1990, 51).

There is a critical relationship between organization type (i.e. structure, shared values, style), and the core activities undertaken (Pettinger, 1994, 132, Hay, 1990, 381). Hay (1990, 383) in particular discusses the impact of mechanistic and organic organizational culture on strategy implementation, and the subsequent influence on core activities. Pfeffer and Salancik (1974, 135-151) view mechanistic cultures as being effective when environments are less dynamic and complex, and levels of certainty are greater (Hay, 1990, 384). Porter, Lawler and Hackman (1975, 8) discuss the characteristics of a mechanistic culture, which gives valuable insight into the potential influence on the alignment of core activities (Hay, 1990, 384). Some of these characteristics are:

- economic - greater stability leads to longer term financial plans, with a strong focus on deployment to capital projects
- people - lower skill levels, less training, strong hierarchy of authority, with vertical lines of communication
- knowledge - technologies are not rapidly changing therefore low requirements for new information.

Organic culture is considered to be more suited to a dynamic environment where there is a great deal of uncertainty (Hay, 1990, 383-84). Some of these characteristics are:

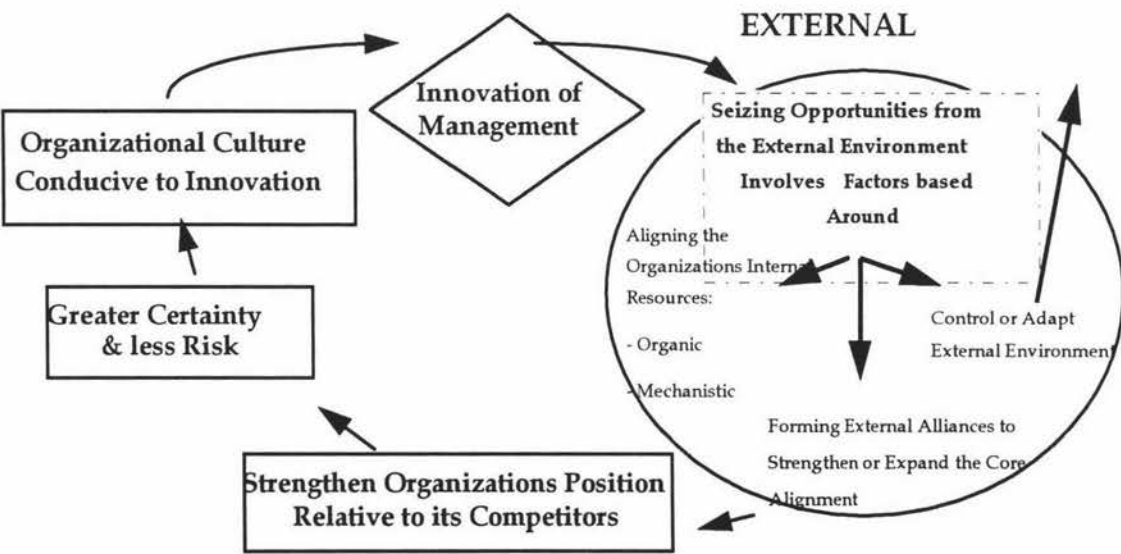
- economic - greater investment in skill and knowledge; use of contingency budgeting
- people - greater degrees of participation and cohesive working groups; flatter organization structure with a network structure of control, authority and communication; lateral and vertical communication;
- knowledge - introduction of irregular and unplanned technologies; authority is based on knowledge i.e. the communication of advice rather than orders.

¹¹In most cases it is not possible to predict the future with a high degree of certainty, therefore the goal of trying to control an external environment that is subject to unforeseen change is questionable.

The views, philosophies and values held by senior decision-makers also play a part in the process of organizational alignment and the core activities undertaken. Hussey (1982, 43) talks of the harnessing of individual creativity and specific company objectives that is necessary to foster innovation. This in turn provides the crucial function, which enables an organization to capitalize on opportunity in a turbulent environment.

To summarize, figure 3.2 ties together the notion that the core competency of an organization provides an important component in seeking and utilizing opportunities in the external environment. Through identifying opportunities the organization strengthens its position relative to its competitors, with the spin-offs of reduced risk and greater profitability. The organization can react to its external environment in three collateral ways. It can align its internal resources to some new designation of core competency; form external alliances to strengthen or expand upon its core competency; and finally use both of these factors to control or adapt its external environment.

Figure 3.2 The significance and use of Core Competency



Strategic change - Tichy (1983) sees strategic change mainly in terms of a major intervention by senior management to overcome organizational inertia and accomplish radical change. External consultants and behavioral science techniques are often used. Pettigrew (1985) takes a wider view and uses both political and cultural perspectives to describe decision processes in which managers bargain and compromise their way to unpredictable outcomes. Mintzberg and Waters (1985, 257-272) draw a useful distinction between deliberate and emergent approaches

and utilize the idea of intentionally distinguishing between planned and emergent events, the latter being those imposed perhaps by external environmental forces, for example the influence of global investment patterns on localized levels of disposable income.

Lindblom (1959) developed the idea that strategic change is incremental. He noted that:

'Policy is not made once and for all; it is made and remade endlessly...Policy making is a process of successive approximation...It is at best a very rough process.'

Incrementalism was then further developed by Quinn (1980, 56) who gave it a strategic management perspective by suggesting that senior managers proceed 'flexibly and experimentally from broad concepts to specific commitments, making the latter as concrete as possible.' Strategic change is seen as a cautious step-by-step process, that is logical incrementalism. This represents a classical rational model that generally leads to conservative and predictable outcomes, and the potential to build away from trends. Quinn's view that strategies emerge in a continuous incremental and hence additive fashion is contradicted by others. A number of writers (Greiner, 1972, 37-46; Miller and Friesen, 1980, 591-614) have developed some form of punctuated equilibrium model involving periods of relative stability or convergence which for one reason or another leads to revolutionary change (Festinger, 1957).

Strategic issues - Strategic issues represent components of the larger strategic planning process. Ansoff (1980, 131-148) focuses attention on the recognition and resolution of strategic issues.

'...forthcoming developments, either inside or outside the organization, which are likely to have an important impact on the ability of the enterprise to meet its objectives.'

Eden, (1993, 117) states that identifying major strategic issues facing an organization is implicit within strategy development. Nutt and Backoff (Bryson and Einsweiler, 1988, 9) claim that an issue becomes of strategic importance when it affects an organization's ability to adapt to future change. Adaptation that is achieved by the matching of organizational capability to the demands of the external environment. This implies that a problem or difficulty encountered by an organization becomes a strategic issue if it is involved in the organization's relationship with its external environment.

McGill (Bryson, 1993, 37) links the importance of identifying strategic issues to performance. Bryson and Roering's definition of strategic issues supports this link;

'.. fundamental policy choices affecting the organization's mandates, mission, or product and service level, financing, organization, or management'.

Finally, the identification of issues is a crucial component in the strategy formulation process, in which an organization must make certain strategic choices or decisions based on the specific dynamics of the external environment. These choices are made in the light of the organization's goals and aims and the evaluation of its external and internal environments (Cole, 1994, 79). Bryson and Einsweiler (1988, 9) build on this by suggesting that organizations must explore the links that exist between strategic issues, goals and visions if they wish to influence their positioning in the future.

Strategy Process - 'Non-Rationale' Versus Rational Approach - The early definitions of strategy in the 1960s (e.g. Chandler, 1962; Cannon, 1968; Ansoff, 1969) promoted an all-pervasive scientific and rational approach¹², with a focus on process formulation and implementation. In reality, there is invariably a strong non-scientific, non-rational element in devising and implementing strategy, that may limit the rational, work against it, or even enhance it (Pettinger, 1994, 129).

The views of Johnson, and Scholes and Mintzberg, outlined above, favour a belief in strategy composed of a synthesis of rational and non-rational strategic practice. The use of the word 'non-rational' in this instance relates to a form of problem solving and decision making that is more subjective than objective in nature. Steiner (1979) identifies two fundamentally different ways for a manager to formulate strategic plans: intuitive-anticipatory and formal strategic. The former is based upon; a manager's past experience, 'gut' feeling, judgement, and reflective thinking. The latter is equivalent to a formal rational approach.

The success of the former approach relies more heavily on the intuitive competence of individuals in devising strategy, with others simply following (Hendry, Johnston and Newton, 1993, 5). Lindblom (1959, 79-88) argued that managers make decisions based on own experience, within organizational contexts, which are characterized by social and political complexity. This suggests that given the complexities facing a manager, success derived from intuitive competence may be due in part to a forgiving environment and luck.

¹²Although the notion of management as a planned search for optimal solutions was being challenged (e.g. Lindblom, 1959).

In recent times the idea that a few individuals can direct strategy is being replaced by an understanding of the importance of an organization-wide capacity to work together, to question, debate, and innovate (e.g. Peters and Waterman, 1982). The study of organizational learning and cognitive processes is perhaps a rational means of capturing the intuitive processes of individuals in their efforts to develop and implement strategy. In fact strategic situations are by definition, ambiguous, uncertain, paradoxical and unique - a specific situation is strategic because it has never been encountered in that form and this makes it difficult to frame objectives, problems and opportunities (Stacy, 1992, 19).

In contrast, the formal system is organized and based on a set of procedures. It is instructive, research-based, involves the participation of many, and support for the decision making is frequently documented. Most importantly, Steiner (1979) notes that formal strategic planning is an effort to duplicate what goes on in the mind of a brilliant intuitive planner. However formal planning is less likely to be successful and more likely to be incremental without management intuition. Formalization must not limit the scope of thinking and the opportunity for creativity. Consequently, both formal and intuitive approaches are important and their joint contribution to effective strategy must not be underestimated.

Hayes (1985, 13) notes that organizations that focus on highly quantitative goals do so at the expense of driving out non-quantitative goals. In practice, the danger is that hard numbers will encourage managers to forget that different kinds of goals have different values at different levels in an organization. Objectives that have little meaning to large segments of an organization cannot be shared and cannot weld it together.

Inevitably, quantitative goals and reliance on long-term extrapolation lead strategists to spend most of their time thinking about structural, rather than behavioural means for achieving their objectives (Hayes, 1985, 14). Hayes backs this up with the view that many strategists believe that specific measurable results come through 'hard' measurable efforts: investments in new plant and equipment, the redesign of organization charts, and so on. This leads to the neglect of less easily measured behavioural factors like performance evaluation, reward systems, work force policies, information systems and management selection policies. Changing the way people in an organization behave presents a far more difficult task than simply making a few structural decisions.

Vision - Corporate vision may be defined as the standpoint adopted at the point at which policy and strategy are devised (Pettinger, 1994, 131-32). This guides the way things are done and gives an articulated understanding of this to everyone concerned enterprise, from leader through to client. It is the "shining light" of the organization (Pettinger, 1994).

Parikh and Neubauer (1993, 105) define corporate vision as an image of a desired state of an organization. In very practical terms, it is an answer to the question of 'what do we want to create?' This is opposed to the question of 'what do we want to be?' that suggests more flexibility through the pursuit of goals that are less tangible in nature. Whereas the former question offers a tangible end 'product' that is more clearly defined.

Taylor (Bryson and Einsweiler, 1988, 4) discusses the strong link that exists between strategic planning and vision, suggesting that the vision can encompass the strategies which may include; the future look of the organization, how the organization will align its resources with its external environment, and how the organization may change its external environment. Bryson and Einsweiler (1988, 4) makes a distinction between a plan driven by vision and one that is not, by suggesting that vision provides the impetus for a qualitative shift in direction, as opposed to a linear extrapolation of the present.

Bryson and Einsweiler (1988, 9-10), establish a strong link between the formulation of vision and the identification of strategic issues. They maintain that developing a vision of success or an ideal picture of the organization directs it towards the strategic issues that consider how it will look and behave according to its vision.

The need for a clear and positive vision of the future is a critical step in strategic planning because a good vision can have several positive impacts on a company (Parikh and Neubauer, 1993, 109). These include:

- providing a spark to lift the organization out of the mundane
- aligning people by creating common identity and a shared sense of purpose
- providing an intent that creates a focus on achieving throughout the organization
- fostering long term thinking
- instilling a sense of direction.

In the context of accelerating change, complexity, uncertainty and conflict, it is imperative to generate as much strength and coherence within an organization to ensure sustainable success and

survival. The creation and maintenance of a shared vision throughout an organization is an effective element to facilitate this (Parikh and Neubauer, 1993).

In successful strategy, vision is associated with the imagination, passion, commitment and originality of those who establish the organization. It is translated to a functional level by those working it into the operations they carry out (Pettinger 1994). An essential aspect of vision is the need for a clear articulation of clarity of purpose and the direction of the organization. It must be both understandable and accurate, providing a concept to which everyone concerned can subscribe to and contain goals to which they can aspire (Pettinger 1994).

Role of the CEO - The role of articulating vision and translating it into action in a unified way is a leadership role. The process of vision implementation is an integral part of organizational learning, in which the potential for new behaviour (e.g. corporate culture) is acquired as a result of processing information. Thus, a CEO who functionally acknowledges the responsibility for vision implementation should be motivated to follow the vision through (Hussey, 1982, 10). The CEO and the management team should be willing to do what is necessary to see that their vision is carried out (Hay, 1990, 76). The question is whether the CEO and her team are ready, willing, and able to formulate, integrate, and implement the organization's strategies (Hay, 1990).

The Use of Vision - Once a vision has been derived it becomes equally important to consider how it will be used within a strategic planning process. Parikh and Neubauer (1993) offer two different approaches. The first approach is about trying to forecast the future in a step by step approach and eventually building out to some desired future. This approach asks an organization to create an image of a desired future state, and then address the question of what steps are required in the present to attain that desired state (Parikh and Neubauer, 1993). In effect this approach requires the goals and objectives, targets and strategy to fold back the vision into the present in a series of incremental steps. (Hamel and Prahalad, 1993) Hamel and Prahalad clarify the concept by asking the question, 'how will next year be different to this year?'

The second approach uses vision to establish organizational and community focus to help determine the adaptation required to the new sets of challenges and to maintain a long-term response to these problems. In other words organizational goals and objectives, targets and strategies are worked around the foreseeable opportunities and threats in a manner that is consistent with the vision.

Parikh and Neubauer (1993) state that there are usually multiple paths that can be tracked in order to achieve a given strategic purpose. It is not wise to predetermine that path by making step-by-step predictions of the future, which due to unforeseen events can become redundant.

However, a succession of year-on-year plans that occur in the first approach can sum up to a desired end-state only with a carefully articulated and sustained strategic intent or purpose (Hamel and Prahalad, 1993). It is also difficult to be adaptive to changing scenarios when commitments to long term investment/funding decisions are required.

3.3 Two Strategic Models

Hamel and Prahalad (1993, 66) undertook ten years of research on global competition, international alliances, and multinational management. They identified two conceptions of competitive strategy. The first centres on the problem of maintaining strategic fit, with an emphasis on trimming ambitions to match available resources. The second conception, strategic intent centres on the problem of leveraging resources to reach seemingly unattainable goals. While both strategies are not mutually exclusive, they do represent a difference in emphasis.

The first model of strategy (strategic fit) takes on a more rational flavor. A close strategic fit becomes more a matter of good luck rather than sound management when strong cause-and-effect relationships do not exist, or where they have not been identified. Strategic planning is billed as a way of becoming more future oriented, but with the pace of change increasing, the predictive horizon becomes shorter and strategic plans do little more than predict the future forward incrementally. In this situation 'strategic plans reveal more about today's problems, than tomorrow's opportunities, suggesting a focus on continuity rather than change.' This model does tend to focus the organization on its external environment - change is normally in response to the external environment, but is by its nature reactive to known trends, conservative, and incremental.

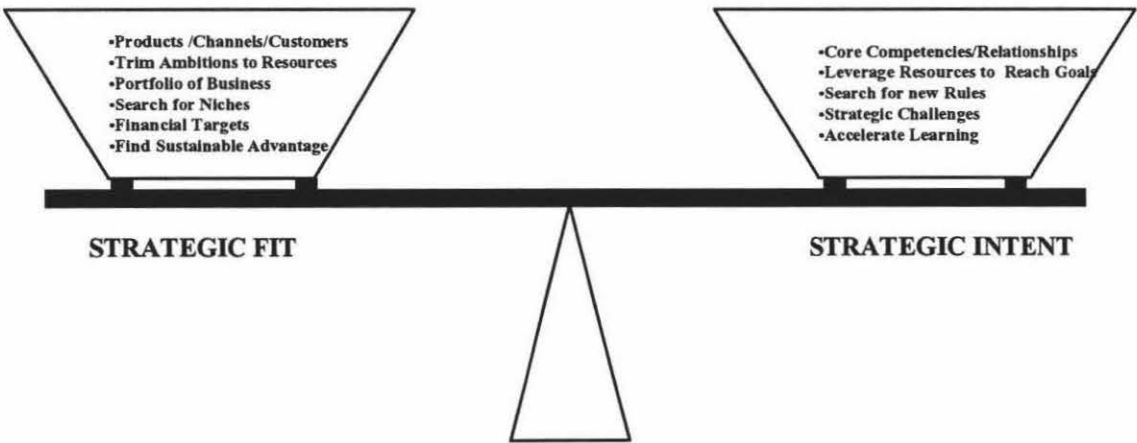
Strategic intent deals with risk derived from uncertainty by emphasizing the need to accelerate organizational learning that increases adaptability and innovation. Risk is reduced by ensuring a well-balanced and sufficiently broad portfolio of organizational competencies, which confer competitive advantage. The model breaks with conservative and incremental trends by creating an extreme misfit between resources and ambitions, requiring enormous creativity with respect to means. The subjectiveness of this model is unbridled but not uncorralled. Managers must deliver on the broad direction implicit in their organization's strategic intent, with its clearly prescribed ends (Hamel and Prahalad, 1993, 67).

Both models recognize the difficulty of competing against larger competitors, with the first model dissuading the company from challenging an entrenched position. The second model produces a quest for new rules that can undermine an incumbent's advantages. An organization should acknowledge that solutions or new game plans exist that may deal more successfully with seemingly impossible positions. There is a need for political will and organizational innovation to tackle problems that have historically fallen into the 'too-hard basket'

Both models recognize the need for consistency in action across organizational levels. In the first model, consistency between corporate and business levels is largely a matter of conforming to financial objectives and at the functional level consistency restricts the means the business uses in achieving its strategy. In the second model consistency is gained through adherence to strategic intent, with the functional levels tuned to intermediate goals or challenges (Hamel and Prahalad, 1993, 66-67, Pettinger, 1994, 126).

The preparation of long term financial plans fits into the first model of strategy, where the planning process typically acts as a 'feasibility sieve'. Strategies are accepted or rejected on the basis of whether managers can be precise about the 'how' as well as the 'what' of their plans. As tests of strategic fit become more stringent, goals that cannot be planned for fall by the wayside. Yet organizations that are afraid to commit to goals that lie outside the range of planning are unlikely to make innovative inroads into solving or mitigating current and future problems and are to a large degree rationally bound.

Figure 3.3 Strategic fit Versus Strategic Intent



3.4 Summary

Figure 3.4 presents two styles of approach that could be adopted under the umbrella of a strategic planning framework. At the extreme ends of a continuum of strategic approach lies either a conservative or a radical approach to strategic planning. The conservative approach typically involves an organization adopting more commonly practiced techniques and methods within a guiding strategic framework.

The conservative column outlines a distinctive way in which an organization changes through the induction of new patterns of action, belief, and attitude. This change is in response to uncertainty brought about by variation in the determinants of strategy, most notably the external environment. Strategic fit provides a rational framework to enable an organization to achieve the goals of reducing uncertainty within the external environmental and improving the organization's responsiveness to change.

In comparison, a radical approach to strategic planning typically involves an organization adopting less commonly-practiced techniques and methods. The radical approach outlined in figure 3.4 offers little structural guidance on the processes that shape strategy formulation. Strategic intent relies less on development procedures and more on sponsoring the intuitive competencies that exist within organizations. As a consequence the non-rational model offers little to the formulation of an all-encompassing strategic framework, but does tap into specific organization skills and resources of a type that is often ignored or unseen when operating under a rational model.

Despite the distinct nature of the two approaches there are common themes that tie them together. These include: the need for any organization to achieve a balance between the two strategic approaches, the pursuit of success, incorporating a longer term view, resource allocation and capability, dealing with change, and imposing disciplines on business management. While the application of a private business sector planning technique to local government might be problematic, it is reasonable to expect that these common themes can be carried over. The following chapter considers the issues of immersing strategic planning into a different business context – a local government context.

Figure 3.4 Series of Propositions Of Strategic Theory

Key Aspects of Strategic

Continuum of Approach

Planning Framework

Components of Framework		Conservative (Commonly practiced)	⇔ Radical (Not commonly practiced)
Model of Strategy	—	Strategic Fit	⇔ Strategic Intent
		Linear	Interpretative
		Adaptive	Adaptive
The process	—	Rational	⇔ Non-Rational
		Comprehensive	Issue Driven
		Logical incrementalism-fine tuning or incremental adj.	Strategy a product of political, cognitive, symbolic action
		Routine	Non-Routine
		Provides framework & structure	No guidance on structural framework
Strategic Change	—	Logical Incrementalism	⇔ Frame-Breaking Revolutionary
		Organizational Momentum-(simultaneous continuity)	Organizational inertia-discontinuous change
		Conservation of paradigm(change is compatible with existing structure & processes)	Transformation
		Strategic drift	
		Deals with uncertainty by predicting future	Deals with uncertainty by building competency.
Organizational Alignment	—	Hierarchical	⇔ Flatter Structure
		Vertical lines of communication	
		Less complexity	Greater complexity
		Organization decline	Networks - of task, knowledge & skill
		Mechanistic Organization culture - stability and certainty	Organic Culture - uncertain & dynamic environment.

Cont

Vision Leadership	& —	World (people coming together)	⇔ Self - memories of the future
		Strategy pushed by vision	Strategy flowing from vision
		Reflective-(analytical, intellectual)	Intuitive -(Instinctive)
		Inclusive leadership	Visionary leadership
		Supervisory-(focus on efficient performance)	Inspirational-reducing uncertainty- alignment around a cause.
		Husband & protect resources (& people)	
		Patron of strategic & visionary process	Advocate of strategic policy & vision
Behaviour	—	Reactive	Assertive
		Retrenched	⇔ Risk taking
		Risk Averse	Opportunistic
		Reinforcing complacency-(content with status Quo)	
		Less Flexibility (Willingness & ability to do things differently)	
Alliances	—	Comfort	⇔ Leadership
			Complexity
			Multi-organizational

Chapter Four

Strategic Planning in the Context of Local Government

4.0 Introduction

Strategic planning and strategic management techniques have provided managers in the private sector with both rational and creative approaches for achieving business success. Hughes (1994, 173) considers it possible that local government could also benefit from a strategic perspective, although some modification of the private sector approach to strategic planning may be necessary. Bryson and Einsweiler (1988, 12) cite the increasing need for local government to: develop a coherent and defensible basis for decision making, improve the quality of decision making and be more responsive to changing circumstance. In fact, he suggests that it is in this context that councils have begun to adopt the principles and practices of strategic planning.

However, it cannot be assumed that local government can adopt strategic planning in the same manner or with the same level of success as in the private sector. Political complexities play an important role in dictating the success of strategic planning in the public sector. Dimensions such as level of autonomy from state, nature of mandates, central state philosophies, local voice, devolution and a range of constituent interests are responsible for much of this complexity. These dimensions determine the parameters within which local government must operate (Hughes, 1994, 173).

Some writers recognize the political and constitutional limits to the scope of strategic planning (Olsen and Eadie, 1982, 4), and see difficulties with reconciling a rational strategic process with the political complexities of local government. There is a risk that the political constraints will create obstacles to strategic planning not encountered in the private sector. These constraints include: equity and efficiency trade-offs, pluralism, political timeframes and cycles, dispersed decision-making responsibility and unclear boundaries between management and politicians. This latter constraint will be more problematic if tension surrounds the relationship between the political decision-makers and the corporate arm of a territorial authority.

The corporate arm of local government also operates in a highly diverse and increasingly dynamic environment, warranting different approaches compared to the private sector. This is because public goods are themselves very diverse in nature, requiring an understanding of matters such as sewage treatment, landscaping, urban design, community welfare and public health. In addition the provision and expectation of what is to be publicly provided changes over time. Funding

mechanisms are far from straightforward, and pricing signals are either obscure or non-existent, consequently performance criteria are diffuse and inexact. Finally, the scope of activities within local government varies between nations, thereby limiting the transferability of managerial and planning models.

As strategic planning has been associated with the theories of new public management, success is more probable if it is used solely as a tool for management. However, it is doubtful if this can ever be the case in the local government environment.

The idea that strategic planning is limited in its application due to the political and organizational complexities are tempered by the following notions. These are that strategic planning can be more than a rational process and can thereby cope with dynamic and complex environments¹³ and the large body of literature suggesting that the managerial tradition in local government is an integral part of the political tradition. For example, Hughes (1994, 236) states that bureaucracy does much more than simply follow the instructions of the political leadership. While most observers advocate the immersion of strategic planning into both political and managerial decision-making, opinion varies as to the degree of influence that strategic planning should have on political decision makers (Hughes, 1994:185) (Bryson and Einsweiler, 1988, 46).

Along with the contextual problems of applying strategic planning from private to public sector environments, Ansoff identifies problems of a different nature. He argues that an organization's early experiences of strategic planning will most likely feature problems such as overly-complex plans, organizational resistance and a lack of senior management commitment (Ansoff, 1988, 166).

It is possible that local government may experience the dual problems of adapting strategic planning theory to the unique environment of local government and a lack of organizational and political experience with the development and application of strategic planning.

In summary, the discussion in this chapter focuses on three elements of strategic planning in a local government context.

1. The tensions of applying a private sector strategic planning model to a TA are identified.
2. The adaptation of strategic planning to the local government environment is discussed.

¹³See Chapter Two, pg. , strategic models

3. Finally, the role of strategic planning within the institutional context of local government is considered.

4.1 Public to Private – tensions of implementing Strategic Planning

Introduction

An important quality of strategic planning identified in chapter three is that *'strategy is a dynamic reaction to the external environment....'* Pfeiffer and Salancik, (Bryson and Einsweiler, 1988, 18) claim these external factors lie beyond the control of the organization and that strategic planning focuses on achieving the best fit between an organization and its environment. Others go a step further and suggest a degree of control over the external environment is not only possible but an expected outcome of strategic planning. The degree of control an organization has over its environment may be influenced by its internal arrangements (Bryson and Einsweiler, 1988, 18). If strategic planning has been developed within the private sector environment, how applicable will it be to local government given a potentially different set of external factors and internal arrangements?

In considering the tensions that may result from applying a private sector tool to a public sector environment this section will focus on those strategic factors that assist an organization align with its external environment and the influence of internal arrangements on the implementation of strategic planning.

Tensions from the External Environment

A number of tensions in applying strategic planning to a territorial authority have been derived by considering its external environment against critical elements of the strategic framework identified in chapter three.

Core Alignment and Organizational Performance - Deciding what 'line of business' a council should be engaging in, and the way services are provided to the community is identified in chapter three as an important function of strategic planning. Wilson (1989, 331) poses the following question.

'Can strategic planning be successfully applied in an organization that is largely constraint focused?'

In other words, can strategic planning assist local government in valuing those organizational and political constraints so that they become implicit within performance measurement and evaluation¹⁴?

McGill (Bryson, 1993, 34) argues that a clear business goal based on business performance principles is distinct from the less easily defined political goal and the subsequent performance of its public managers. Bower (Bryson, 1993, 34) claims that without a market to determine effectiveness of service provision, the process of measurement becomes diffuse and complex. What is driving or underpinning the requirement for clear goals and objectives in local government - mandate, political will or managerial professionalism? Clearly political activity plays a crucial role, where the setting of goals and objectives is characterized by a continuous bargaining - learning process that has irregular and even inconsistent outcomes (Mintzberg, 1985, 49-61, Bryson, 1993, 34). The issue of, 'how to establish strategic performance in the political arena' becomes crucial (Bryson, 1993, 34).

However there are claims that the precise targets that profitability and a defined market provides to private sector strategic planning may be over-emphasized. Ansoff (Hughes, 1994, 186) argues that in reality the objectives of a firm can be a negotiated consensus of influential participants, which is not unlike the stakeholder perspective in local government. Nutt and Backoff (Hughes, 1994, 186) develop this further by suggesting that the precise terminology of goals, targets, and objectives can be articulated in a manner that seeks compromise between competing views.

What is clear is that a significant amount of theory supports the view that business performance techniques and market philosophy is proving unsuitable for direct transfer to local government and that public administration should be constructing a framework for strategic performance from within its own body of knowledge.

McGill (Bryson, 1993, 34-39) combines the thoughts of Pederson and Rainey, to suggest a framework for performance analysis for public administration (see Diagram 4.1).

¹⁴ What is the organization achieving, and how is this being achieved?

Figure 4.1 The Levels of Public Administrative Performance Vs Private Sector Equivalent

Level	Public Administrative Performance	Private sector Equivalent
1	Social Performance- Environmental factors, impacts & social performance	Economy – e.g. capital growth
2	Managerial Performance- Output or managerial performance	Effectiveness – e.g. specific market success
3	Operational Performance- Internal structure and process e.g. budgeting and project management	Efficiency – e.g. operational efficiency, cost control and production management

Source (Bryson, 1993, 35-36)

McGill notes that of the three levels of performance identified, the operational level is the most easily transferable for it has the most in common with business administration. This explains in practice why the waves of evaluation studies within local government (and to a large extent New Zealand local government reform from 1989) are dominated by a concern for organizational efficiency.

Levels one and two are not easily transferable from the business to the public sector. This is due to the market having automatic feedback mechanisms to guide the business sector through levels one and two, whereas public administration has no such feedback mechanism. Local government initiatives to strengthen and refine consultative and participatory mechanisms may signify the recognition of a need for such feedback mechanisms. Pederson states that evaluation must be based on production and outcome functions and there must be a distinction between managerial performance and social performance. For example, policy makers want to know why added resources failed to accomplish a goal (level one), while the agency will want to know whether the failure was due to a program deficiency (level two).

To combat the lack of a feedback mechanism, McGill advocates 'client based planning' (CBP), which aims to match client groups with strategic issues. Tying CBP back to the performance levels, McGill asks 'are the services to these groups strategic in nature or are they uncontentious projects?' Distinguishing between the different levels of activity presented in figure 4.1 allows for the appropriate designation of performance indicators and time horizons.

Pederson (Bryson, 1993, 36) concludes that the basic ingredients for success in planning for strategic performance are that policy and evaluation:

- are linked to the annual budget cycle
- relate to explicit client groups
- are linked to a longer term planning timeframe.

The Model and Process of Strategy - The phrases 'bureaucracy' and 'democratic pluralism' succinctly describe the old solutions that have become today's problems in local government (Burns, Hambleton and Hoggett, 1995, 565). Too many local authority departments were built to become large, hierarchical organizations structured to mass-produce services. Common complaints with this form of service management included remoteness of decision making, insensitivity and lack of accountability of some officers and frustration with the lack of coordination between departments. Even though alternatives have emerged to counter these problems, entrenched aspects of bureaucracy remain and have implications on the model and process of strategic planning adopted by local government.

In the traditional administrative model, local government is criticized for being overly insular, preoccupied with internal matters and not thoughtful about how or where the organization exists in relation to government and to society as a whole (Hughes, 1994, 177). Bryson and Einsweiler (1988, 30) note that in such an environment there is a risk that some of the necessary attributes for strategic planning could be driven out. These attributes include creativity, innovation and the development of new alliances. Without these attributes the strategic process may suffer from being overly rational (Hughes, 1994, 184). The challenges to the traditional ideas of what constitutes good management in the public sector shape an environment where an organization is more capable of producing and adopting a balanced strategic process.

Additionally, Bryson and Einsweiler (1988) point out the real danger of strategic planning becoming highly bureaucratic in nature. In other words the expectations from the strategic process may be little more than a 'window dressed' version of existing process and practice. In a reactive mode a local authority may adopt a conservative approach in the light of risk, uncertainty, and funding constraints. A 'wait and see' approach could be reinforced by funding pressures that limit the ability to build contingencies and achieve specific outcomes.

In comparison, the risk to local government of an intuitive, subjective approach to strategic planning, is to create greater costs through greater risk taking, and to encourage decentralized systems that may reduce accountability (Ring and Perry, 1985, Peters and Waterman, 1982,

Bryson, 1988, 30). Although Bryson and Einsweiler (1988, 30) note that this approach can equate to 'less money for more service' and may also provide new initiatives to the political question of 'what benefits are accrued to the community and the organization from decentralization?' (Burns, Hambleton and Hoggett, 1995, 566). In other words, strategic planning requires a balance between exercising control across functions and levels and creating a system that promotes creativity and opportunity seeking from the external environment.

Framing issues - Bryson and Einsweiler (1988, 16) consider the local government political process and mandate represent a major difference from the private sector, whose mandate is in a sense without limit. Like business, local government must be responsive to change in its environment however the stakes are different. In local government decisions affect more than new markets and profit margins, they effect peoples' lives on a broader and more fundamental level. Consequently there is a wider degree of stakeholder scrutiny and involvement in local government activity (Gordon, 1993, 15-16; Bryson and Einsweiler, 1988, 56). Strategic plans are likely to encompass political and emotional factors that cannot always be reflected in technical analysis or management intuition (Gordon, 1993, 17).

Ring and Perry, (Bryson and Einsweiler, 1988, 28) recognize that strategic issues should be managed on the basis of an organization's mandate, however the problem exists of framing the issues given the various stakeholder perspectives. Private sector management can frame issues in terms of markets, customers and profitability, whereas local government effectively relies on the political process to frame strategic issues from its external environment. The alignment of local government with its external environment is influenced to a large extent by a process that is subject to constraints relating to:

- democratic practice¹⁵
- the variable quality of political decision making and representation (Howell, 1995, 37).

Vision - In chapter three the use of vision within private sector strategic planning is clearly established. Its use in public sector strategic planning is also widely endorsed (Bryson, 1993, 15), however the purpose and application of vision may vary from the private sector. Although the purpose of vision for both sectors is likely to be focused on the organization's internal and external environment, the local government vision may emphasize a focus on the external environment through community concerns (Bryson and Einsweiler, 1988, 15). A local government vision may idealize concerns for achieving change within its external environment

¹⁵ See discussion chapter two 'Modern Representative Democracy'

(Bryson and Einsweiler, 1988, 4), for example, the economic, social and cultural well-being of its community.

Alternatively the vision may focus on providing a code, a shared view of those within the organization of the future (Hughes, 1994, 179).

If strategic vision reflects a private view (shared internally), the task of achieving broad acceptance of that vision can be more easily incorporated into a strategic framework. This is in contrast with attaining a vision acceptable to an entire community, made up of a diversity of groups. Hay (1990) suggests that vision should incorporate the input from all members of all the various groups that comprise the community, not just those in power. However, a vision derived by the majority may be inappropriate to a significant minority sector of the community. If vision encompasses the external environment and external views then it will become highly political in nature and will politicize strategic planning.

Multiple vision offers a potential solution to the problem of vision sharing, but is limited by the compatibility of the visions and the limited ability to communicate them. Kees Van Der Heijden (Hendry, Johnson and Newton, 1993, 137-57) discusses how the responsibility for deriving a vision becomes a shared one in larger, more mature companies and is arrived at through communicating and modifying personal views. He adds that vision requires adjustment in times of change and that the vision-sharing process needs to continually adapt to change.

Hughes (1994, 176) identifies the legislated mandate of local government as being a critical source of this change. Local government must constantly re-examine what it is meant to do under the legislation that established it. How far should a vision reflect the community's interpretation and aspirations within the legislated framework, or, some aspiration that is driven by leadership rather than community consensus? For example, the Resource Management Act (1991) while providing prescriptive guidance on environmental quality, does leave much to the discretion and interpretation of local government decision-makers and their communities.

Bryson and Einsweiler (1988, 9) argue that the constraints placed on local government by mandates can make the development of vision a difficult process. He also suggests other difficulties, such as:

- identifying strategic issues or goals if political dissension is high
- visions that quickly become obsolete in a turbulent environment

- visions that become too abstract to be useful in guiding the organization and the community.

On a positive note, if political dissension is mild, a vision process can provide the concepts that enable people to see necessary changes and identify and agree upon strategic issues (Bryson and Einsweiler, 1988, 9).

Structural Determinism - Richards introduces a constraint of a different nature, that being the capacity of local government to produce effectual strategy in the light of central government philosophies and practice¹⁶. For example Ross (1993, 28) draws attention to the under-funding of local government and the central government's lack of response and acknowledgment of this problem. Richards suggests that local government has a minimal capacity to set policy at the macro level¹⁷ and currently operates at a micro level, facilitating economic voice as opposed to political voice. It is questionable as to how effective any strategic initiatives will be in addressing and solving problems of a collective nature if local government operates at a micro policy level.

Competition & Profit - A final key difference between local government and private sector environments is that strategic planning is associated with the explicit purpose of securing competitive advantage for commercial organizations. This raises the question of whether a competitive factor is evident in the local government environment, which has traditionally been grounded on a system of regulatory and service provision orientated towards public good (Bush, 1980, 77). This purpose does not sit comfortably within the environment of local government, therefore strategic planning needs to offer more to local government than just the facilitation of unfettered competitive ambition.

However, writers argue (Bryson and Einsweiler, 1988, 3) that regardless of the prime motivation of securing competitive advantage, strategic planning offers other potential benefits such as:

- fostering the ability of strategic thinking
- clarifying future direction
- linking organization function and levels
- establishing priorities and organizational performance.

¹⁶See chapter 1 - structural determinism.

¹⁷A level of policy making that genuinely effects citizen wellbeing and empowerment.

Hamel and Prahalad (1989) suggest that strategic planning includes focusing the organization's attention on motivating people. It achieves this by communicating the value of the target, leaving room for individual and team contributions, using strategic intent in a manner that guides resource allocations, and finally to form strategic alliances.

Despite the non-competitive benefits offered by strategic planning, competitiveness still remains a driving force behind private sector strategic planning and may inevitably be so in local government (Bryson and Einsweiler, 1988, 41). Kaufman and Jacobs claim that the local government traditional perspective of competition must change to incorporate the view that a successful community is itself a competitive product (Bryson and Einsweiler, 1988, 41).

However the problem remains that the public sector does not have profit to provide a fundamental link between the expectations of the organization's stakeholders, goal setting and achievement of those goals. Consequently local government is severely constrained in using profit as an avenue for setting and measuring performance and for providing signals of risk to decision-makers.

In summary, the key differences between the external environment of the public and private sectors provides useful background to consider what aspects of private sector strategic planning may require adaptation.

Organization Structure - In chapter three the structure of an organization is recognised as having an influence in determining what activities are undertaken (core alignment). The differences in structure between public and private sectors are most apparent at the managerial level and in the necessity for community involvement in local government (Bryson and Einsweiler, 1988, 57). The result is that the structures of public sector organizations are internally rigid and externally fluid, thus the opportunity for conflict within the organization is very high (Bryson and Einsweiler, 1988, 57). Conflict has already been identified as one of the major constraints in identifying and prioritising strategic issues in local government.

At a managerial level, the separation of policy-making from policy implementation can mean a separation in strategic and tactical staff¹⁸. Local government managers may feel removed from any ability to formulate change based on first hand experience. The policy-making discretion of tactical management is bridled to the point where they are frequently reacting to externally imposed change. The ability to foresee potential problems and make contingencies is frustrated

¹⁸Tactical staff design programmes in response to policy directives.

by limited authority and the perception of other stakeholders to the perceived problems (Bryson and Einsweiler, 1988, 56).

These work context differences can conspire to make the process of public sector strategic planning less precise, less based on reliable information and very fragmented. In sum, the role of the various policy actors diminishes the role of any individual manager, thus potentially causing a breakdown between levels in the process (Bryson and Einsweiler, 1988, 56).

Another example of structure affecting public sector strategic is the entrenched aspects of bureaucracy. These aspects include: strong hierarchy of authority and vertical lines of communication, which sustain a mechanistic culture (Hay, 1990, 384). Pfeiffer and Salancik (1974) considered such a culture effective only in a less dynamic and complex environment. A balanced strategic planning initiative requires flexibility and organizational responsiveness; a mechanistic culture could undermine these requirements.

Internal Arrangements

In addition to the tensions introduced by the external factors discussed above, the political tradition introduces many constraints to the functioning and decision-making of local government. These constraints have the potential to limit the scope of strategic planning comparative to its use in the private sector.

Political Timeframes - A key difference in the timeframe of public and private sector managers is related to political cycles of government. As councils are subject to frequent electoral change there may be pressure to achieve quick results and force short-term re-evaluations of medium/long term programmes (Bryson and Einsweiler 1988, 56). This is primarily reflected in the local government annual planning process, which is increasingly becoming an element of local government strategic planning (Paul, 1994, 9-14). As a result, shorter-term goals and objectives can undermine the longer-term goals and objectives advocated by a strategic plan.

Although a longer-term outlook is linked to a reduction of organizational organisational and community risk, it can increase political risk in terms of voter dissension. For example:

- the inability to terminate longer term commitment to programmes that prove to be unpopular with an electorate
- the difficulty in trying to strike political compromise between meeting short and long term electoral expectations.

Finally, there is a risk that political time horizons and annual planning cycles may prove to be obstacles to the requirement for flexibility and continuity in strategic planning (Hughes, 1994, 185).

Hughes (1994, 184) thinks that a plan should be made flexible through regular updating, or rather, sees the process as continuous, rather than cyclical. It is ingraining the process of thinking strategically rather than the plan itself that is the desired outcome. However indoctrinating the politicians in the benefits of strategic planning, the approach and the final content presents a significant obstacle to the continuity of a successful strategic planning initiative. For example it is possible that the political decision-making tradition within local government can potentially start an elected cycle uninitiated in the strategic process and unappreciative of how the direction identified in the plan was derived.

Decision-Making Traditions - One critical difference between sectors relates to the decision-making traditions within local government. Many commentators suggest that the decision-making role of council management and councillors is shared, has no fixed boundary and is subsequently difficult to define (Peters, 1989, 4). As a comparison, a board of directors (being the private sector equivalent to council elect) is typically focused on monitoring performance of the organization rather than ongoing operational and strategic decisionmaking. When the board deems performance to be unsatisfactory, senior management is held to account.

This leads to the question: "Can strategic planning be of use within a decision-making environment that is clearly different from the private sector?"

The general view is that strategic planning can be of use to both management and politicians although opinions vary on how it can be utilised by the political decision-making tradition. Hughes (1994, 188) emphasizes that strategic planning is not a panacea for local government, and that it must fit within political constraints, including compromise and politicking which are integral parts of the process. In addition he claims that if strategic planning is to be an integral part of the political process then it must not usurp the input of politicians, in a sense it should be politically neutral (Hughes, 1994, 185). This suggests that while management may be considered in the general context of politics there are constraints on how they frame issues in a political context.

Bryson and Einsweiler (1988, 46) offer a different perspective: that it is difficult to accept a notion that strategic planning is apolitical in nature due to the significance of the issues that it is engaged in. He argues that the process is worthwhile if it helps key decision-makers (both politicians and management) to think and act strategically (Bryson and Einsweiler, 1988, 46).

The challenge to local government is perhaps to reconcile the use of strategic planning within joint political and managerial decision-making processes.

The first argument points to the view that strategic planning has been adopted as part of the drive towards new managerialism in local government and by association strategic planning is specifically a managerial tool. The second argument places strategic planning in the more general position of providing a set of concepts to help decision-makers, including politicians and management, to make important decisions and take important actions (Hughes, 1994, 187). Bryson suggests that it is difficult, if not impractical to suggest that strategic planning should never impose on governance, nor expose any shortcomings or weaknesses within governance and political and managerial process. However, the difficulty of practically defining the interface between politicians and officers presents an obstacle to the effective utilization of strategic planning by both traditions. The problem of defining this interface should therefore be addressed.

Whether strategic planning is used solely by management or by both politicians and management will have a large bearing on its potential effectiveness and role in local government. Organizational constraints, such as defining the boundaries of influence and input exercised over strategy by politicians and managers may also influence the way strategic planning is utilized.

Further investigation of both the managerial and political traditions provides insight into how the use of strategic planning may be shaped by the tensions within and between those traditions.

Summary - Tensions on Strategic Planning

The earlier definition: '*strategy is a dynamic reaction to the external environment*' reinforces the notion that quite different strategic reactions may be required by local government in response to the external environment. Given the differences between public and private sector environments. It is obvious that strategic planning will require a degree of adaptation to be of more use to local government decision-makers.

Three aspects emerge as having the greatest possible consequence to applying strategic planning to local government. They are:

- the difficulty in formulating strategic performance measures and the associated diffusion of responsibility assigned to strategic initiatives
- the difficulty of framing issues in a manner which reflects wider stakeholder aspirations and provides the organization with clear operational focus.

- an uncertainty within local government as to what substitutes for "securing competitive advantage" - which is the private sector's core reason for using strategic planning.

Having identified these three aspects leads to the question of: how could a territorial authority adapt strategic planning to fit their business context? The following points provide an indication of the type of adaptation that could occur.

- development of a framework for measuring and determining strategic performance, involving both councillors and senior management
- development of a visioning process that is aligned with the particular democratic style adopted by the particular territorial authority
- build flexibility into the strategic planning process to acknowledge political change and decision making boundaries
- development of a strategic process that is internally responsive to externally derived goals
- maintain a balance between controls across organizational functions and levels through supporting the necessary aspects of traditional management while encouraging creativity through appropriate organizational structure and human resource policy.
- Development of continuity within the strategic plan across political timeframes.

The following section discusses the possible expectations of strategic planning in local government. In the course of this discussion the influence that some of the tensions identified above have on the role of strategic planning in local government are highlighted.

4.2 Expectations of Strategic Planning in Local Government

Introduction –At the time of writing this researcher found it extremely difficult to assess the degree to which strategic theory is driving the expectations of local government. In practice, the expectations of strategic planning are not transparent due to:

- the early stages of adoption and the subsequent lack of research into its use in local government (Paul, 1994, 10)
- the uncertainty of applying private sector concepts to a public sector environment
- the lack of New Zealand case studies (strategic planning outcomes)
- the difficulty of associating or measuring the outcomes of strategic planning.

However, it is likely that the expectations of strategic planning are being driven by other factors such as: the practical experiences of the private sector, and the philosophies of central government that have shaped local government practice and mandate. The small amount of local government strategic planning theory cited by this researcher tends to support the notion that benefits expounded in private sector theory are transferable to local government (Bryson, 1993, 3, Paul, 1994, 9).

Despite the lack of theory, the factors driving local government to search for new means of dealing with existing issues are transparent. Issues such as the need to provide management with a clear operational mandate, the need to establish a well defined role for council and the desire to resolve conflicting stakeholder demands, all point towards a need to improve the decision making process (Paul, 1994, 9).

Burns, Hambleton and Hoggett (1994, 21) recognize the tensions and discontent between the decision-making traditions within local government. To counter the tensions he identifies two sets of reactions, with each reaction having a specific impact on the role of strategic planning. The first involves an administrative response; the second involves a set of political reactions in nature. The administrative response focuses on introducing new management philosophy and organizational structure. The political reactions focus on the favourable integration of collective choice within local government by either extending markets (the option of consumer exit and entry), extending democracy (replace old bureaucratic model) or a mix of both.

If strategic planning is to play an influential role within the local government environment, it must be implicit in enabling the appropriate 'political reactions' and 'administrative responses'. The ability of strategic planning to enable these reactions and responses will depend on whether the decision-makers perceive strategic planning as having a narrow or broad role.

A Narrow Role for Strategic Planning – A narrow role involves strategic planning being used principally by the corporate as a tool for improving organizational efficiency and effectiveness. The political arm of council is left largely unaffected by the strategic plan and process.

Strategic planning is less likely to require adaptation in order to enable Hambleton's 'administrative response' to many of the problems inherent in bureaucracy. Peters (1989, 7) recognizes that to a large extent most literature on organization theory and management theory in both public and private sectors has some relevance for comparative administration. It is also possible that an unadapted model of strategic planning may be more compatible with the

‘political reaction’ of extending the role of the market within local government¹⁹ (Burns, Hambleton and Hoggett, 1994, 21). This view is also supported by strategic planning’s strong links with new public managerialism and market philosophy. Paul (1994, 13) notes that strategic planning can be beneficial to the organization through applying the technical and managerial skills in the context of a consistent organizational direction.

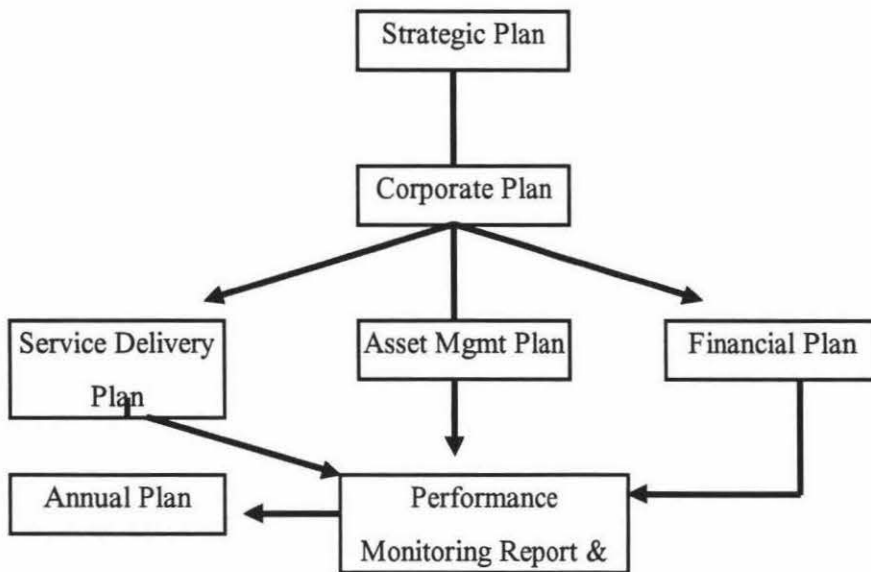
However, it is doubtful that any one decision-making tradition should take on the full strategic agenda of a territorial council in isolation. Even under a narrow role, a process of identifying and prioritizing strategic issues will be necessary and subsequently should include all the key decision-makers.

Despite a lack of political involvement in a strategic planning process a number of corporate benefits have been identified. The PCfE holds the expectation that strategic planning is critical in the development of strong links between the strategic, annual and district plans (PCfE, 1991, 9). Paul develops this notion further by pulling in the corporate, financial, asset and service delivery plans with the aim of achieving an overall integrated program (see figure 4.2). Bryson (1993, 6) notes that functional plans are often not tied together, and typically the aggregation of these plans provides no concise direction for what a council ought to be doing.

Fraser and Harding (1995, 16) identify the lack of strategic planning as a reason for not achieving integrated planning and performance monitoring, even though the intent and commitment may be evident. Frawley (1995, 14) considers strategic planning as critical in overseeing the interrelationship of policy documents, avoiding the duplication of efforts, and streamlining the decision-making framework through the provision of focused policy guidance.

¹⁹Atomistic decision-making of the market predominates over collective decision making, thereby facilitating the use of strategic planning as a managerial tool with similar application to the private sector. In the short term problems of democratic pluralism are avoided at the expense of eroding democratic process.

Figure 4.2 Planning Linkages



Source Paul, 1994, 36

A focus of local government reform has been for fiscal responsibility, transparency and accountability for decisions and actions taken. One clear advantage of strategic planning is to reduce the risk of significant capital works imposing unexpected financial burdens on ratepayers. It also provides a solid basis on which to make defensible decisions on future infrastructure requirements, including the burden of debt between generations for such infrastructure.

Writers have expressed a range of other reasonable expectations for the application of strategic planning in local government.

- emphasizes the assessment of the organizations internal and external environments, and the achievement of the best fit between organizational resource and the external environment. This places more emphasis on understanding the community in its external context, determining local governments role in taking opportunities and anticipating threats for the community (Bryson, 1993, 38).
- provide a focus or 'vision' of how the organization will operate in its future environment, and the changes required to achieve preferred futures.

- emphasis on current actions and decisions, providing an operational link with the longer-term outlook²⁰. Crow and Bozeman (Bryson, 1993, 65) argue that despite the need for stability and a long-term view, strategic public planning should incorporate quick results.
- builds bridges to the organization's stakeholders, promoting broader and more diverse participation in the planning process (Bryson, Freeman and Roering, 1986, Bryson, 1993, 25, 38).
- provide a framework encouraging innovation and creativity to balance bureaucratic tendencies²¹ within local government. Rajan (1994, 25) recognizes that organizations that are focused on strategic planning models need to provide proactive human resource support in order to help people understand both the changes brought to the organization and their roles. For example processes can be shaped around performance management, a customer focused vision and consultation with the community.

While a range of potential benefits are available to a territorial authority adopting a narrow role for strategic planning, careful consideration should be given to tailoring strategic planning approaches to serve councils' purpose and situation (Bryson, 1993, 5). A territorial authority must align its expectations of strategic planning with the limitations of what is achievable from a narrow role. Ambitious expectations may signal the need for a council to consider adopting a broader role for strategic planning.

A Broad Role for Strategic Planning - A broad role for strategic planning focuses on enabling the appropriate 'political reactions' and 'administrative responses' as advocated by Hambleton. There are two aspects of this role to consider:

1. The decision making processes between the administrative and political traditions
2. The expectations of strategic planning's role in supporting change of a political nature (political reactions).

On the first aspect, there are several relevant points for discussion. Firstly, there is an expectation that both the political and administrative decision making tradition will look to strategic planning for guidance. Hax and Majluf (Hughes, 1994, 172) argue that one of the

²⁰ See chapter three - strategic fit and strategic intent

²¹ Bureaucratic tendencies where the systems can become ends in themselves and drive out creativity and innovation.

ultimate objectives of strategic management is to create a link between strategic and operational decision making, at all hierarchical levels, and across all businesses and functional lines of communication. This definition can be interpreted to include the politicians because they will always have an important role in decision-making processes regardless of whether strategic planning is used.

It is however important to note, that the emphasis under this approach is not entirely focused on attaining political buy-in. Strategic planning should also highlight the role of executive management in a territorial authority (Bryson, 1993, 63). Mathis (1994, 34) conducted a series of interviews with councillors that indicated the difficulties with evaluating the performance of territorial authority CEOs. This was due to the lack of broad organizational goals and objectives and the subsequent difficulty in constructing performance criteria.

A further point relates to territorial authorities defining their institutional and political constraints. These constraints constitute the very reason why many theorists question the ability of strategic planning to enable Hambleton's 'political reactions' (Hay, 1990, Rainey, Backoff and Levine, 1976). Adopting a wider role for strategic planning requires a commitment from the managerial and political decision-makers to maintain a close working relationship. Such relationships could be enhanced if many of the constraints to decision making become clearly acknowledged and formally factored into the decision-making processes.

Finally, the complex and focused nature of formulating strategy and carrying it through in an operational sense requires a degree of trust and commitment from politicians and community leaders. This is not always possible due to political constraints, such as the lack of commitment to anticipatory methods to form better policy, the level of media and public scrutiny, the narrow ranges of discretion, and the inability to abandon programmes (Hughes, 1994, 186).

On the second aspect, perhaps the greatest difference between a narrow and broad role for strategic planning is the expectation that a broad role can support both functional and structural change (Hambleton's 'political reaction' and 'administrative response').

To recap, Hambleton advocates that strategic planning may assist a territorial authority in achieving a 'political reaction' through either the integration of collective choice within local government by either extending markets (the option of consumer exit and entry), extending democracy (replace old bureaucratic model) or a mix of both. There are several ways in which strategic planning could facilitate the achievement of any of these three political reactions.

The first relates to the expectation that strategic planning will put pressure on territorial authorities to develop and refine mechanisms to enhance political voice and economic voice. This comes about in two ways, the first being that strategic planning requires a vision based on community aspirations (or at least can be brought into by the community). The second involves the strategic planning requirement for a comprehensive performance measurement process. Considering the first point, a strategic planning process (when performed properly) such as 'visioning', requires a high degree of participation and ownership of strategic issue identification and prioritization. The increased focus on participatory and consultative processes places discipline on territorial authorities to continually reappraise these processes, including the role of politicians and officers within those processes.

Considering strategic performance measurement, this process is critical for determining whether the strategic goals are in fact being achieved, and whether the organization is aligned strategically to its external environment. The former ensures that the decision-making traditions continue to deliver high quality decision making to the community. The latter ensures the organization has adequate feedback about how it is delivering upon its strategic goals.

A further key expectation of a wider role for strategic planning is that the role of councillors and senior management will be scrutinized at some point in the strategic planning process. This could come from two perspectives, the first being from constant reappraisal of participatory and consultative process generally affecting councillors, and the second from the requirement to make all strategic decision-makers accountable to performance criteria.

The inextricable link in decision-making between the managerial and political traditions requires a degree of political accountability for outcomes that are a product of political decision making. A strategic plan that identifies the favoured outcomes for the organization and community provides a basis against which to measure the performance of achieving these outcomes. All principal decision-makers should be accountable to any performance criteria that are set around the achievement of strategic outcomes.

Finally, some advocates of devolution of decision-making powers and decentralization of territorial activities may look towards strategic planning as a vehicle for achieving these things. However, decentralization is not an end in itself, but rather a possible route to the achievement of strategic objectives. In other words, strategy can provide the foundation upon which the expectations of political and organization change are built. Thus a clearly articulated strategic plan provides a point of reference on which to reconcile the political and organizational objectives of decentralization or any other strategic goal (Bourne, 1992, 564-565). Any objective to

decentralize should not be undertaken without having first clearly identified the strategic purpose of doing so.

The centralized nature of strategic planning does not fit comfortably with the devolution of powers to a community. However, Hughes (1994, 185) argues that accountability problems will eventually occur if strategy is formulated and controlled by a concentrated power bloc within the organization. This control could be perceived as a threat to the input and discretion from the sphere of politics.

Summary - Adapting strategic planning to fit both traditions requires it to be effective in confronting the decision-making tensions between the traditions, including the political decision making constraints imposed upon local government by its community and central government²². This will require looking beyond the type of accountability and efficiency offered by managerialism and market mechanisms (which is along stricter economic lines), towards developing performance criteria, and measures for efficiency that complement Hambleton's political reactions. What remains uncertain is the suitability of strategic planning for developing such performance criteria, and for clarifying the process of decision-making between politicians and management. It is also uncertain whether strategic planning simply highlights shortcomings in political process and organizational decision-making, or can be an effective agent for beneficial change.

Figure 4.3 draws a relationship between four contexts that strategic planning could be applied within, and the most appropriate role for strategic within that context. This relationship is drawn from Hambleton's notion of political reactions and administrative response and Peters, Hughes and Bryson's thoughts on the decision making traditions within local government. The common themes of whether strategic planning requires adaptation from its private sector routes and the most likely role for strategic planning are explored for each context.

²²Hambleton questions the influence of both local political and managerial decision-makers over strategic direction given an 'agent for the state' relationship.

Figure 4.3 Context Matrix

Hambleton's Scenarios	Separate Admin & Political Traditions	Combined Admin & Political Traditions
Apolitical response <i>Strategic Planning focused on applying technical & mgmt skills</i>	Context 1 Strategic planning theory compatible with territorial authority management activity. Unlikely success if applied to political activity and process. NARROW ROLE	Context 2 Strategic planning theory compatible with territorial authority management activity. Possible success in extending collective choice via the market if strategic planning adapted. NARROW-MODERATE ROLE
Political Reaction <i>Strategic Planning focused on extending collective choice via the market, democracy or both</i>	Context 3 Unlikely success in applying either adapted or unadapted strategic planning. However, application of either model may assist success over the medium term. NARROW-MODERATE ROLE	Context 4 Greater possibilities for the successful application of strategic planning. Political and administration decision linkages exist & are both formal & informal. BROAD ROLE

4.3 Conclusion

Strategic planning and management should not replace political decision-making, but rather seek to improve on the rawest forms of political decision making. This helps ensure that issues are raised and resolved in ways that benefit the organization and its key stakeholders.

Having identified some key aspects of strategic planning in addition to some fundamental problems facing local government, it is clear that strategic planning has a role to play. Bryson, amongst others, identified a number of positive things a territorial authority could hope to gain from a well-executed strategic planning process. Some standout aspects for local government include:

- the pursuit of success and improvement through defining performance criteria
- provision of a decision making framework for both political and administrative arms of the Council
- linking of levels and function
- focus for resource allocation via defining core business and aligning with the external environment.
- long term focus to fetter aspects of shorter-term political decision-making.

However, uncertainty exists over the ability to accrue all the benefits that are claimed. Solutions to the more challenging problems, such as those centered on political and democratic function, require the application of a broader scope of strategic planning. Given the view that local government is under pressure to search for new solutions to these old problems, two critical uncertainties emerge regarding the application of a broad scope of strategic planning. These are:

1. The uncertainty of whether a wide role for strategic planning is plausible given the inherent difficulties in defining decision-making boundaries between the political and administrative arms of council. It is questionable whether political decision-making process and constraints can be factored in, especially where a large degree of flexibility is required to accommodate political change.
2. The uncertainty of whether strategic planning is suitable for developing performance criteria and measures for efficiency that complement political choice and extending democracy.

A territorial authority needs to have a clear understanding of what is realistically achievable from a strategic planning exercise. Isolating these uncertainties provides a useful step in identifying what adaptation should occur.

Certainly the political tradition provides the most obvious obstacle to the application of strategic planning where the classic tensions of economic accountability and devolved democratic accountability offer territorial authorities different perspectives and choice on how and what services they provide to citizens. The eventual path chosen may have a profound effect on the application and expectations of strategic planning.

The administrative tradition presents a lesser obstacle in applying strategic planning to local government. Differences such as bureaucratic functioning and efficiency measures can be confronted through management techniques. Strategic planning could be one of these techniques.

To conclude, much strategic theory is directly transferable to local government. That which is not transferable will require adaptation to fit with existing internal arrangements. Without adaptation there is risk that a strategic planning exercise will not accrue any benefits to the organization and community. At worst, a poorly executed strategic plan could actually disadvantage an organization. Success with any strategic approach within local government is centered on: senior staff and politicians defining the scope of the strategic approach, identifying the administrative and political processes that argument the strategic process, the adaptation required to those processes, and understanding the limitations of what can be achieved given the scope and adaptation that is occurring.

Chapter Five

Presentation of Research Results

5.0 Introduction

This chapter applies the theoretical propositions developed in chapters two to four in the following case studies: Palmerston North City Council (PNCC), Waitakere City Council (WCC), Masterton District Council (MDC) and North Shore City Council (NSCC). Four elements are explored in detail: the institutional context, the approach to strategic planning, the perceived role of strategic planning and the relationship between institutional context and the role of strategic planning.

The first element is consistent with research objective three and seeks to assess each case study's political context. The second element is consistent with research objective four and seeks to compare and assess each case study's approach to strategic planning against theory. This element provides the perquisites that could potentially influence the usefulness of strategic planning to territorial authorities.

The third element is consistent with research objective five and seeks to compare and assess the territorial authorities' role of strategic planning against theory. In addition to providing strategic perquisites as in objective three, these results are utilized in the final element.

The fourth element is consistent with research objective six and combines the territorial authorities institutional context with the role of strategic planning. Establishing the relationship between context and role contributes to the understanding of strategic planning's value to territorial authorities' policy and decision-making.

Method – The methods used to present the results relating to research objectives four to six, include graduated continuums and a decision matrix. The continuums show used to present a territorial authority's position with respect to the specific theory or research objective being assessed. The positions were assessed using the scoring methodology presented in appendix VI.

Figures 1.2 to 1.4 provide examples of the continuums used to fulfil research objectives three to five. Figure 1.2 shows the continuum that presents the political context for each territorial authority. The polar positions on the continuum were developed in chapter two and reflect two distinct political environments. Figure 1.3 shows the continuum for presenting the strategic approach for each territorial authority. This continuum presents two positions for each territorial authority. The first position indicates the radical or conservative nature of the strategic plan and

the second indicates the degree of consistency between the territorial authority’s strategic approach and strategic theory. Figure 1.4 shows the continuum for presenting the role of strategic planning for each territorial authority. The polar positions on the continuum were developed in chapter four and represent two distinct roles for strategic planning in a territorial authority.

Finally, the method used for presenting the research results for objective six, included combining the political context and role of strategic planning within a matrix developed from theory in chapter four.

Figure 5.1 Political Context Continuum

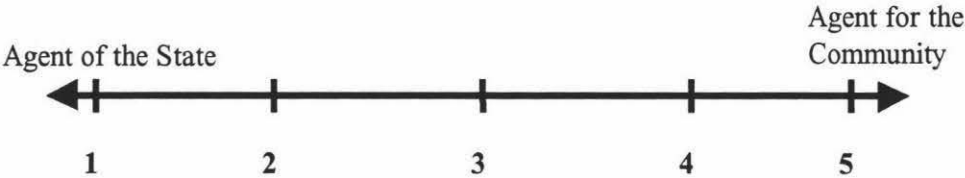


Figure 5.2 Strategic Planning Approach Continuum

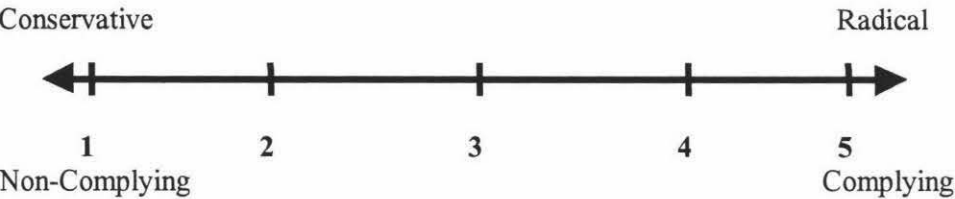
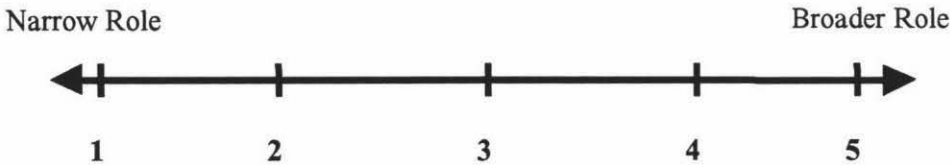
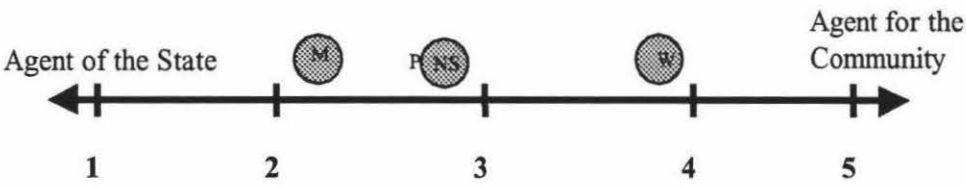


Figure 5.3 Role of Strategic Planning Continuum



5.1 **Assessment of Political Context**

Overview of results



The results indicate that three territorial authorities favoured a position between ‘moderate’ and ‘Agent of the State’. These were MDC, PNCC and NSCC. WDC’s position favoured an ‘Agent for the community’ stance. The following assessment of the political context surrounds two aspects of the research results. The first aspect concerns those research results that utilize each territorial authority’s strategic plan as an indicator of political context. For example, aspects of the strategic plan considered include the outcomes of the visioning process, derivation of values, the focus of the plan and commitment to the plan. The second aspect concerns the research results which consider other processes that indicate political context. For example, other processes considered, include councils’ attitudes to public participation, consultation and devolution.

The visioning processes used by the territorial authorities differed in approach and in the specific strategic goals they generated. However, a common theme of the MDC, PNCC and NSCC approaches was the conservative nature of the strategic goals. For example, the strategic goals contained in the plans did not advocate any change in direction or emphasis for resourcing. The goals tended to support the status quo, which was typically the maintenance of established political process and focus for efficiency and effectiveness in the provision of services to the public.

The conservative nature of the strategic goals possibly highlighted low levels of commitment to strategic planning. A greater commitment and understanding of strategic planning could have seen councillors exploring issues that involved change. As a comparison to the other councils, WCC’s political leadership demonstrated a strong commitment to strategic planning. The resulting strategic goals were defined well enough to provide meaning and clear signals for the need for change.

The highly inclusive nature of the visioning processes used by PNCC and NSCC tended to moderate their position on the continuum. For example, the PNCC visioning process involved many workshops involving a diverse cross section of the community and the business sector.

While most of the territorial authorities went to a lot of effort to democratize the visioning process, the result was highly influenced by how the vision was initially scoped, and the decision-making dynamic between management and politicians. With the exception of WCC, management staff tended to dominate the formulation of the strategic agendas. For example, councillors at PNCC felt that management held the upper hand at the strategic agenda workshops. The opposite was the case at WCC, where the politicians asked management to refine and operationalize the strategic agenda.

The other aspects of the research that influenced the political context included general attitudes to participation and the consultative process and attitudes towards devolution. The intent behind the participative and consultative process used for strategic planning indicated that management staff had identified the need for improvement on existing methods. Management staff voiced the need for a clear decision-making mandate from the community on which to base strategic goals and operational objectives. While councillors held a pervasive view for improved participation, the motivation for this perhaps came from external pressures. For example, interviews with councillors often highlighted their lack of understanding for why improvements might be required and their endorsement of the existing decision-making process.

A number of WCC politicians believed that changes in the community's views should be incorporated into decision-making processes. They also thought that strategic planning challenged the political tradition to define its role in the process(es) of decision making. For example, a WCC councillor and officer made the following comments on the changing emphasis in participative processes.

"....moving away from traditional political role of either being for or against an issue, towards being in close consultation with the public...searching for mechanisms for drawing all views out."-Office. "We've tried to create more of an on-going dialogue with the community ...we're looking to achieve consensus across individuals and communities." – Councillor.

Finally, WCC was the only territorial authority to formalise issues surrounding devolution and decentralization in its strategic plan. However, the extent of devolution and alignment with centralized strategic planning was not explored. NSCC's management was aware of the tensions between a centralized strategic planning agenda and devolving powers to local communities. They did not formally recognize this issue in any council plan.

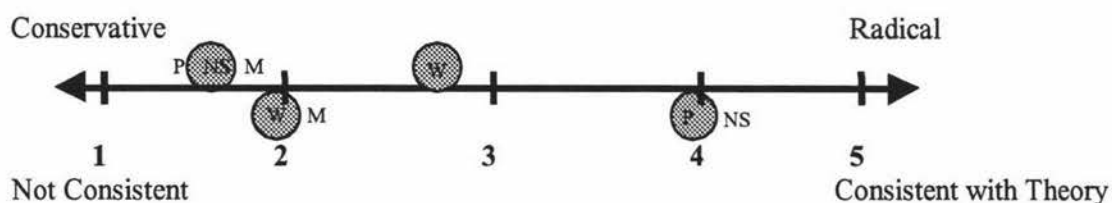
5.2 Assessment of Strategic Planning Initiatives

The following section presents a continuum of approaches for each of the seven strategic propositions developed from strategic theory as discussed in chapter three. The results for this research objective were derived from the analysis of the strategic plans. The strategic propositions developed from theory for the purpose assessing the territorial authorities' approach to strategic planning include:

- model of strategy
- the process
- strategic change
- organizational alignment
- vision and leadership
- organizational behaviour
- strategic alliances.

The following sections provide the important observations of the strategic initiatives adopted by the councils studied. In addition, the discussion explores the problems identified for each of the strategic propositions.

Model of Strategy



Most of the case studies adopted more commonly practiced techniques and methods within the guiding strategic framework identified in chapter three. These techniques and methods tended to reflect a more rational formal approach to strategic planning. For example, both PNCC and NSCC's approach aligned with the Hamel and Prahalad model of 'strategic fit', where there was a definite emphasis within each planning process of trimming ambitions to match available resources. Other observations supporting the view that a rational approach was used included:

- the use of highly structured strategic frameworks. For example, NSCC derived its objectives and associated goals from a pre-defined vision process. Additionally, the strategic plan provided a framework for investment decisions, a corporate strategy for

establishing priorities and guidance to the annual plan process as well as the integration of corporate, district and operational planning.

- linkages between the annual budget and the strategic plan. For example, large development works had been scheduled in the strategic documents for the purpose of guiding the annual budget decision-making process.
- strategic frameworks that were underpinned by a rational process for identifying issues and establishing a rough order of priority. Examples of the processes used included SWOT (strengths, weaknesses, opportunities and threats) and scenario analysis.
- the emphasis on financial objectives to gain consistency in action across organizational levels and control organizational behaviour and action. For example, most of the case studies had a strong, long-term financial-planning emphasis, where the higher level financial objectives (such as a predetermined cap on debt levels) acted as a feasibility sieve for capital development and other projects. Goals or issues that could not be rationally planned for, tended to fall by the wayside. For example, the issue of a second harbour bridge was excluded from the NSCC strategic plan.

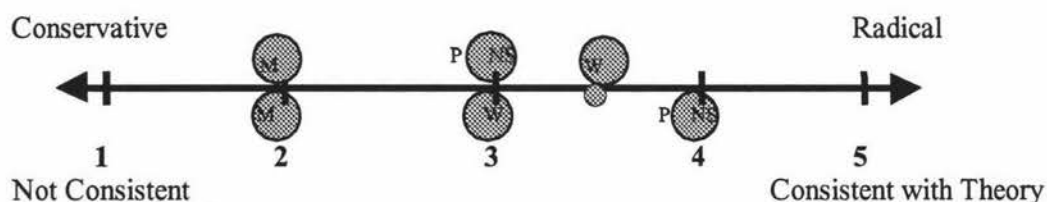
There were obvious differences and problems evident in the rational models adopted by PNCC and NSCC. These included:

- some of the strategic planning frameworks may be overly complex. For example, the NSCC initiative was more prescriptive than the other plans in defining its goals, actions and resource allocation for achieving the vision. As a consequence, a significant effort would be required to reshape the plan in situations of rapid internal or external change.
- aligning the organization's the strategic goals presents operational challenges. For example, PNCC centres its strategies around 18 key operational activities whereas NSCC centres its activities on four key outcome areas that are linked to the visioning process. The PNCC approach has the effect of fitting desired outcomes to existing organizational structures, while the NSCC approach has the effect of fitting the entire organization to the desired outcomes. This aspect of the NSCC model is more likely to encourage managers to think across organizational activities. This mode of operation is more consistent with strategic intent. It appears that both elements of strategic fit and strategic intent have been used within a highly rational framework.
- the majority of the plans are based on a conservative outlook. For example, within each plan the future ambitions have been trimmed to today's resourcing levels indicating that there is no strategic intent to break from this conservative outlook. If potential misfits

between resourcing and ambitions are continually discounted or not formally acknowledged, an organization's capacity or incentive to do more with less may decrease. However, the WCC strategic plan was less conservative in nature and while it offered little guidance on resource allocation, it did present strategic goals that challenged the organization and the community to be resourceful in the achievement of those goals.

- the lack of identifying and aligning human resources. For example, the NSCC Strategic Plan is largely influenced by land-use scenarios that are driven by the high rate of development in the area. The plan's response to the risks associated with high growth rates is largely reactive to known trends, conservative and incremental. While this does not constitute a specific problem in the planning process, it does preclude the plan and process from being more opportunity-focused. In other words, the planning process does not explore the adaptability or innovations which organizations and communities could acquire to deal with future risks. While three case studies were conscious of the need to link human resourcing issues to the strategic planning process, their approach remained unclear.

The Process



The continuum of approach indicates that most of the case studies implemented a strategic process that was consistent with strategic theory and positioned between a conservative and radical approach. Two case studies varied from the others: one has a weak strategic process and the other had implemented a more radical process. The important observations that support these positions are discussed below.

Firstly, most of the strategic processes adopted by the councils studied represented a movement away from routine process. For example, two case studies implemented a strategic process which increased the level of complexity needed to achieve a holistic decision-making framework. It is reasonable to assume that a sophisticated approach involving many people, will push the organization to think more strategically about its business and approaches to managing. On the other hand, the non-rational approach from an organizational process perspective could exclude more staff from the strategic process.

However, despite the sophistication in approach it was evident that the territorial authorities processes were bound in formalization. For example, the processes were influenced by the current levels of staff resource and capability, the organizational structure, the District and Annual Planning processes and by the strategic frameworks themselves. The effect that these processes had on the formulation of strategic goals was not clear. However, it was evident that both senior management staff and politicians could expect an unfettered ability to execute an 'intuitive-anticipatory'²³ style of influence over the formulation of strategy. For example, both management staff and councillors were concerned that if the strategic plan became overly definitive, flexibility in decision-making would reduce.

While the approaches to strategic planning were rational in nature, opportunity for 'intuitive-anticipatory' behaviour existed. This was evident in the PNCC, WCC, and NSCC processes where the PNCC and NSCC management staff and the WCC politicians played an influential role in shaping the strategic goals.

Secondly, a number of observations drawn from the visioning processes influenced the TA's position on the continuum. These included:

- a distinct separation of the process of developing strategic vision and the process of developing an organizational response to the vision
- visioning processes that were considered to be highly inclusive, more progressive and rigorous than previous consultative processes
- visioning processes that varied between case studies. There were three significant differences in approach. The first was the reliance on a survey of residents which explored the wider community's views on current and future issues. The second approach relied on a strong politically-driven vision for the community. The final approach derived the vision from an inclusive and participatory workshop process.

A third key observation indicated that the strategic processes were comprehensive rather than issues-driven. For example, the two more detailed operational responses to strategic planning tended to steer away from the direct confrontation of major issues in the strategic documents. In the PNCC plan, while major issues are identified as a driver for strategy, emphasis was given to 13 draft rules that leaned towards financial disciplines. For example, only two of the 13 draft rules link with the major strategic issues. In comparison, NSCC had difficulty capturing

²³ From Chapter 3 - Strategy Process – 'Non-Rational' Versus Rational Approach (Steiner, 1979).

contentious issues in the strategic plan, choosing to ignore certain issues such as a second harbour bridge crossing. However, the plan did link development and growth issues to strategic goals.

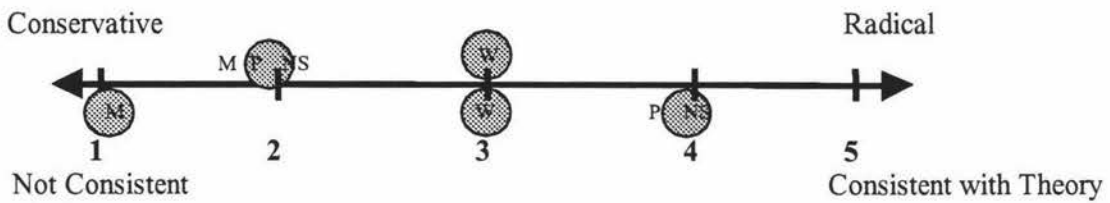
Some final key observations included:

- staff involvement – most of the case studies recognised the importance of involving staff in the operational strategic process. It was evident to this researcher that the involvement of operational staff varied between case studies. The extremes varied from high demands placed on staff through to very low demands. For example, the more detailed plans carried the risk of staff overload due to the requirements associated with understanding and participating in new processes. In addition, the case studies also expressed a desire to link long-term financial plans to the strategic plans, which could have the effect of emphasizing quantitative goals.
- an emphasis on strategic process versus the strategic document. For example, PNCC emphasised the importance of taking the council through the process with the principal purpose of encouraging strategic thinking and initiating a culture shift.

The focus on process was also evident in the order that PNCC and WCC built up the strategic framework. Their approach was to consult on individual issues first and then build the framework or big picture. This differed to the NSCC approach in that officers put together the strategic framework or big picture first and then consulted on it.

- two different approaches were observed for dealing with future concerns. The first approach typified two of the case studies' approaches where the emphasis was on identifying in advance the threats and opportunities which future change might bring. The third approach was subtler in that it was more about the organization discovering how to manage and control the future. For example, the planning process placed pressure on council and communities to find solutions for achieving the vision. The fourth approach used a combination of these elements of process. It was this researcher's view that the third approach was only useful when combined with a strong definable vision.
- no case studies had explicitly factored risk into their process nor had applied any performance measurement theory discussed in chapter three.

Strategic Change

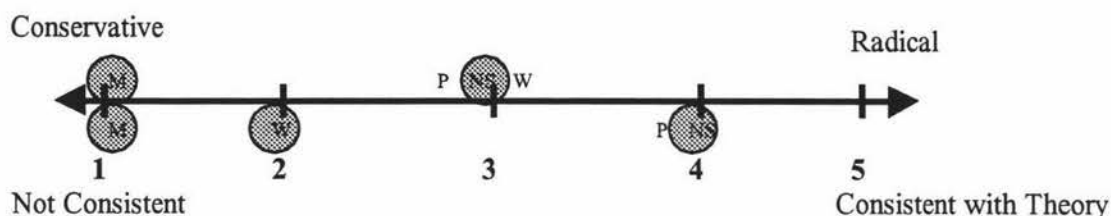


All of the approaches adopted by the case studies were conservative and aligned with Lindblom and Quinn's incremental approach. Defining elements amongst the plans included:

- conservative visions that were reflected in operational planning as conservative and incremental strategic actions. It was evident that inclusive vision processes tended to dilute extreme views. WCC varied slightly in that the politicians initiated an arguably radical vision. However, like the other councils, WCC's response to managing change associated with the vision was conservative in nature. It appeared that the territorial authorities were aligning with the communities' appetite for change.
- there were some plans that showed a limited degree of departure from the logical incremental approach. The NSCC's planning process had elements of a deliberate planned approach as discussed by Mintzberg and Waters. The planning for new and upgraded infrastructural assets based on growth and development projections provided a good example of this type of approach to change. In addition, WCC's approach seemed to advocating a balance between proceeding gradually through incremental change in policy and organizational action and building organizational competency in dealing with change in the external environment.
- finally, the flexibility of the strategic plan to change was influenced by the organization's acceptance or non-acceptance that external change was inevitable. For example, councillors and management had a clear expectation that the strategic plan was subject to political agenda and could change within a short timeframe. Consequently the process incorporated change via a top-down approach, where there was acceptance that the strategic plan could be remodelled based on changes in political vision. This approach relies on political leadership to identify the strategic issues and advocate strategic goals. A problem associated with this approach was the negative impact on management staff due to constantly shifting strategic agendas. This was evident in NSCC where a new political agenda challenged the core assumptions underpinning the strategic goals.

- in comparison, the PNCC and NSCC processes encouraged a bottom up approach for incorporating change. This was evidenced by the plan's provision of comprehensive framework and a structure on which to base decision-making. By default this process tended to be procedural in nature, fitting well with fine tuning incremental change. However, this approach could be inflexible when incorporating significant change from a political level.

Organizational Alignment



The continuum indicates a gap between the territorial authorities' application of strategic theory relating to organizational alignment. Two significant issues relating to theory explain the comparative difference between the MDC/WCC and PNCC/NSCC approaches. The issues include the processes that the territorial authorities use for clarifying their role and the manner in which the territorial authorities align their operation to deliver that role.

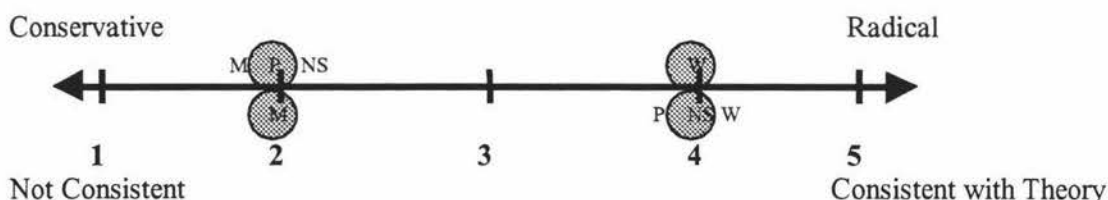
All of the territorial authorities stated an intent to use strategic planning as a means for identifying their role in the provision of service to their communities. This is essential for it provides the organization with signals of how it should align its capital resources, and focus the efforts of staff. The territorial authorities also shared the view that the vision process underpinned the identification of their role.

Where the territorial authorities varied significantly was in the degree to which they operationalized the strategic goals. PNCC and NSCC created clear links between their strategic goals and operational role. While WCC and MDC had not developed this linkage, management staff acknowledged a desire to do so.

While the territorial authorities acknowledged that the vision process underpinned the identification of their role, uncertainty surrounded the degree to which the philosophies of management staff and councillors influenced that role. Clearly, tensions exist between the community's desire for clarity on the input that influences the council's role and the need to maintain subjectivity in the decision making processes.

The final issue regarding how territorial authorities aligned operationally to their defined role, identified a universal acknowledgement that strategic planning was placing pressure on the organizational structures. For example, PNCC acknowledged that restructuring based on the strategic plan was likely.

Vision and Leadership

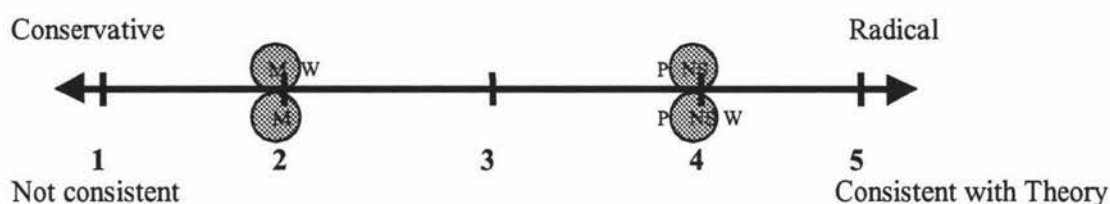


The results indicate that the majority of the councils studied carried out visioning processes that aligned with theory discussed in chapter three. Key aspects of the case study approaches included:

- PNCC, NSCC and WCC implemented visioning processes that made a genuine attempt to create images of a desired state. All of the case studies ran inclusive visioning processes and some took the process much further. They developed clear pictures of possible future scenarios and used these as the basis for community consultation. While the MDC, PNCC and NSCC visions did not advocate any qualitative shift in direction they did generate a sense of coherence and shared purpose within the organization. It seemed likely that a highly inclusive visioning process discouraged qualitative shift in direction. For example, the likelihood of WCC generating the 'Eco City' vision from a highly inclusive process is doubtful. The most likely result would have seen the process of consensus and negotiation producing a more conservative vision
- NSCC and PNCC had translated the vision to an operational level. However, problems were observed with achieving this translation. For example, the relationship between the strategic issues and the outcomes of the vision process was unclear. In the process of working towards attaining the vision, officers need to have a clear understanding of what the relevant issues are and the relative weighting the issues have in achieving the vision. In addition, the senior decision-makers need to be clear on how issues and key result areas interrelate in order to better appreciate the effect of shifting priorities on achieving the vision.
- all of the territorial authorities generated visions that focused on the long term

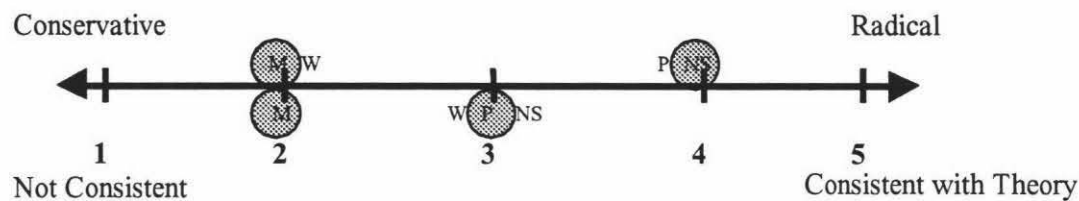
- variations in the use of vision were evident across the councils studied. The case studies that tended to build vision in an additive or incremental fashion also had a strong orientation towards identifying and prioritising capital projects. In comparison another TA's approach maintained a long-term response through a community-focused vision. This vision was translated operationally by setting challenges for the community and providing assistance to meet those challenges
- senior management staff that were committed to achieving the strategic goals. All of the CEOs were directly linked to the strategic planning process via direct reporting from executive staff co-ordinating the process. The interview process revealed that some CEOs were more supportive of the process than others. All officers interviewed agreed that the CEO's involvement was critical in terms of galvanising the organization behind the vision. It was acknowledged in staff interviews that CEOs had a difficult task in managing the relationship between the elected councillors and the organization. This was evident in the tensions involved in the vision generation process, where decisions on issues and direction could have a direct effect on the organization.

Organizational Behavior



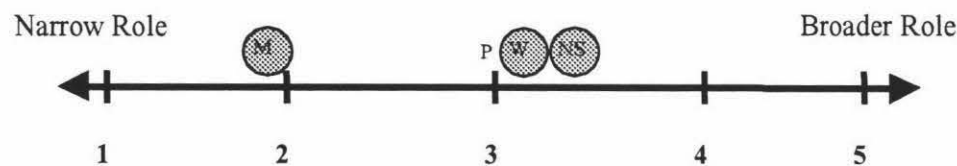
The results reflect the position that all of the councils studied had a good understanding of the need to consider human resource issues within a strategic planning process. Three of the councils identified the need to produce separate plans that considered human resourcing within the context of the strategic plan. The fourth territorial authority had gone a step further and produced such a plan. A moderate to radical position was assigned to councils which had initiated changes in organizational structure that encouraged synergies and had initiated planning on human resource issues in the context of the strategic plan.

Strategic Alliances



The results reflect the position that all of the councils have recognized the need to establish some form of alliance with external individuals and organizations. However, this seemed inconsistent as the parties the territorial authorities intended strengthening alliances with, did not extend beyond typical or expected relationships. Also, only one council discussed the possible benefits that might be accrued from fostering specific alliances. Strategic planning places an important emphasis on partnering and building alliances upon which the organization can build expertise. The case studies revealed that they had not effectively applied this theory.

5.3 Assessment of the Role of Strategic Planning



The positions on the continuum summarize the expectations of management staff and councillors of the role of strategic planning. The expectations were gained from interviews, summarized and then scored to provide the final positions. The results indicate that most of the case studies expect strategic planning will assume a moderate role. While these positions reflect the current role of strategic planning for each territorial authority, they do not reflect any of the individual tensions that affect the role of strategic planning. For example, political and officer expectations tended towards opposite ends of the continuum, however the final position perhaps reflects an averaging of these extreme positions. Additionally, the results do not reflect any possible trend towards a narrow or broad role.

The following discussion identifies the important observations made about the tensions and trends associated with the role of strategic planning. The interviews with officers and councillors highlighted some consistent themes and tensions running through the case studies. These observations are presented under the following headings: transparency in decision-making, role of

officers and councillors with strategic goals, organizational performance, extending democracy and defining service provision.

Transparency in decision-making – Both decision-making traditions held the expectation that strategic planning will assist decision-making at its highest level. However most officers and politicians agreed that it may take some time before the use of strategic planning in the decision making process is understood or trusted by council elect. Evidence that political acceptance of strategic planning was gradually occurring was evidenced by an increasing awareness of strategic issues and their potential impact on the organization and the community.

It was evident the officers were the driving-force behind progressing strategic planning. This explained the difference in emphasis between management and councillors of the role of strategic planning in decision-making. The pervasive view was that management thought strategic planning should be more definitive in its guidance, whereas the politicians thought it should offer only general guidance. For example, management expressed the hope that the guidance offered by the strategic plan would lower the likelihood of the annual planning process being ‘hijacked’ by pressure groups with marginal projects. In addition, they hoped strategic planning would assist policy-setting in terms of clarifying how current decisions fit with the council’s future role and direction, providing a better understanding of the funding implications of decisions and augmenting district planning processes. For example, management staff indicated their expectations regarding the interrelationship between the District Plan and Strategic Plan.

“..we made an error...the Strategic Plan should have influenced decisions made in the District Plan process...in practice the planning linkage wasn’t sufficient.”

On other hand, many of the politicians’ views were encapsulated thus:

“...in other words Annual Plan issues are filtered through the Strategic Plan to gauge their impact on the future financial position....slot expenditure into the Strategic Plan to forecast future rate demands...because that’s what it is at the end of the day....a computer program.....the value of it allows you to see the effects tomorrow of the decisions you make today.”

While it seemed that many councillors either held no interest in, and/or misunderstood the role of strategic planning, generally each case study seemed to have a core of councillors whose view aligned with the officers. This small group was probably influencing the views of many of the other councillors. For example, this statement was made by a councillor who had previously emphasized that strategic planning should only provide a very general guide to decision-making.

“..expect decisions on District Plan submissions will be influenced by strategic planning.”

The mixed views of this councillor pointed towards either a shift in opinion which was occurring, or was simply inconsistent thinking during the research interview.

The case of WCC provided a different perspective in that a central core of politicians and all management staff embraced the notion of partnership between both decision-making traditions and the community. A councillor makes the following comments on management staff/ councillor working relationships.

"I think the strategic planning process has influenced relations – it is taken as read that if you're involved in putting an issue together you involve your politicians and officers (across the board) and community...so it works at different levels with different individuals and issues."

Finally, two case studies provided different perspectives on the issue of devolving decision-making to the community. WCC's strategic document touches on the council's desire to work towards the devolution by implementing policies consistent with the vision and Agenda 21. In contrast, NSCC's strategic plan did not deal with the issue of devolution. However, management staff did have the following view regarding the devolution of decision making to Community Boards.

"..potential conflict exists between community boards requesting specific fund allocations that are contrary to the Strategic Plan allocations that were set via a community wide consultative process...my view is, the Annual Plan should be submitted to the Community Boards but Council should maintain the decision-making prerogative over the budget based on the Strategic Plan."

The role of officers and councillors with strategic goals – The interviews and analysis of the plans established that there was an expectation that strategic planning should generate goals for the purpose of guiding decision-making and organizational action. In practice, the generation of strategic goals was a critical element of each case study's process of strategic planning. While the visioning process was a formalized programme for achieving the strategic goals, the role of councillors and managers within that process was not defined. For example, PNCC's process for setting the goals followed a structured programme of various workshops and community consultation. Within this structured programme, councillors and managers meet in an informal workshop setting to determine the strategic goals to initiate wider consultation. The dynamics within this setting would have determined the role of councillors and managers in setting strategic goals.

In both PNCC and NSCC, the councillors indicated that goal setting had been influenced more by senior management. Both the PNCC and NSCC processes had difficulty with achieving buy-in from councillors. It is possible that councillors lost interest in the process, due to their perception of having a diminished role in the strategic planning process.

In comparison, the WCC strategic goals were entirely predicated from a political vision developed by the Mayor and a bloc of councillors. The subsequent buy-in from politicians provided more impetus to the entire strategic process. For example, as politicians became more involved they began to think about their role in strategic planning.

"The expectation is that the role of the politician moves away from day to day stuff into policy setting...setting priorities, more equitable and fair with resource allocation." (Councillor, WCC).

Finally, management staff were very clear that the goals developed in the strategic planning process should provide a high degree of guidance to decision-making traditions. Additionally, management staff held a firm view that the changes and disciplines enacted during the strategic process would continue to influence the roles of staff within the organization.

"In terms of staff ...they are affected inevitably (through) reduced revenue, increased expenditure picture so something has to give....staff at the level of activity of how it (services) is delivered (are affected)....two years ago we wouldn't have had the management team talking about existing activities and not feeling defensive or territorial – that's a major culture shift"

This officer went on to suggest that the strategic plan possibly reduced the decision-making discretion of officers. This occurred because the path of action was more defined by the strategic plan.

Organizational structure and human resource issues were also commonly identified amongst the case studies as being affected by strategic planning.

"I always thought the organization should be restructured to suit the four big headings, but our proposed re-structure doesn't quite do that...we're going to be more formally splitting where who's specifying what needs to be done and (who is) actually doing the technical work. The officer also expressed a concern about the problems that would be encountered with trying to link administration with devolved decision-making." "...multi-functional teams crossing all directorates (were) used to generate the plan – (the) process (was) directed by the corporate." (Officer, NSCC)

Organizational performance – None of the councils studied had developed a strategic performance measurement process as identified in chapter four. For example, McGill (Bryson 1993) advocates a multi-leveled performance process that encompasses operational through to strategic performance measurement. In practice, the territorial authorities' management staff identified the following broad principles:

- in some cases, the management staff identified the need to develop and assign strategic performance measures against strategic goals. For example, PNCC had made an attempt to link performance measures to the city vision key outcomes. However, the measures were mostly developed around operational statistics and had limited use for determining the level of achievement of strategic goals
- recognising the reasons why strategic performance measures are useful. For example, management staff identified with the need for accountability to customers and the need to improve the accountability of senior decision-makers to the community. In addition, management staff stated in the interviews that strategic planning would assist in aligning political decision-making with strategic goals derived from a community consultative process

" they (pre-election politicians) wanted a plan based on the community and what they wanted and an organizational response...the plan framework was adopted based on the argument that we are a service organization using other people's money...assure planning framework all heading in the same direction...the strategic plan is an umbrella for the council's operation, which should be consistent with the community"

- the strategic planning process would continue to influence the formulation of operational plans and policies. For example, an officer made the following comment.

"Greenprint is very broad...we are setting up a new section called corporate planning implementation with a focus on ensuring the implementation of strategy."

- politicians had difficulty with the concept of strategic performance measures with only one councillor being able to provide a meaningful response. The councillor's comment below was representative of the difficulty both councillors and management had in defining and implementing performance measures.

"...one of the hardest things I find ...defining when enough is enough ...at what point is success achieved...or when does something need doing differently." (Councillor, WCC).

To conclude, most of the councils studied were not aggressively exploring this important aspect of strategic planning. The reasons for this remained unclear to this researcher. However, in one instance it was observed that strong political buy-in to strategic planning was accompanied by a rudimentary appreciation of the need for performance measurement. While most management had an appreciation of the need for strategic performance measurement, this aspect of strategic planning was not translated as a priority in the strategic planning process.

Extending democracy – The interviews and analysis of the plans established some common elements regarding the role of strategic planning in extending democratic practice. These included:

- most of the approaches used to generate strategic goals were highly inclusive. For example, the visioning processes allowed ample scope for community and political input.
- politicians and management had different views on the role of strategic planning with regard to extending democracy. For example, management staff in at least three of the case studies believed that the politicians may need to address issues regarding democratic process in the near future. It was possible that management staff were using the strategic planning process to lever the politicians into assessing their role. The strategic planning process was being used as a tool to influence this process.

Considering the inclusive nature of generating strategic goals, significant efforts were directed into aligning the organization's strategic goals with community consciousness. While all of the case studies had similarities in their approach (such as submissions and workshops) both subtle and more obvious variations were apparent. A more obvious difference included NSCC's use of a large-scale survey process to attain community input. Subtle variations in approach included the manner in which strategic agendas were formulated prior to community participation. For example, WCC derived its vision from the mayor and a core group of councillors. In the other territorial authorities the management had more influence over the initial formulation of the strategic agenda.

With respect to strategic planning's role in extending democracy, management staff had a greater awareness of the need to improve methods for gaining community input on important issues. On the other hand, most of the Council Elect did not express a desire to extend democratic process. For example, few councillors interviewed understood or endorsed the use of a strategic planning process to strengthen either, or both democratic process and market mechanisms. Interestingly enough some councillors did express surprise at some of the issues that came out of the strategic

process. This suggested that politicians were not fully aware of the limitations of community networking/consultative processes.

In comparison, WCC's vision was genuine in advocating the enhancement of democratic process. Perhaps more importantly, efforts within the strategic planning process suggested that WCC was 'walking the talk'. The following comments were drawn from WCC councillors and management.

"Emphasis on communities taking ownership & responsibility – self monitoring"- Councillor.

"...we have tried to be more educative in our process – not assuming that people have the knowledge or have thought through the issues well enough for council to start taking up the directions...I think we have tried to create a more on-going dialogue since strategic planning... tried to create more of an on-going relationship with individuals and community groups"- Management Staff.

Finally, although management staff across most of the territorial authorities expressed a desire to improve the consultative process, the strategic plans were not clear about how the links with the community would be maintained.

Defining service provision – The case study interviews provided a useful insight into how strategic planning was being used to determine the level and type of service being provided to the community. A general observation was that management expected strategic planning to assist in defining service provision. However, the processes for achieving this definition were not clearly defined. For example, while visioning processes generated strategic goals, there was not always a clear translation between these goals and the activities required to achieve them. Often the justification for why specific activities were required to achieve strategic goals was lacking. In addition, there were no defined processes for how the council intended to continually identify strategic issues, redefine strategic goals and reassess its service delivery role.

5.4 Role and Institutional Context – compatibility of strategic planning

The following discussion identifies the key observations about the relationship between a territorial authority's perceived role for strategic planning and the institutional context within which it is being applied. The results have been presented on the 'context matrix' developed from theory and identified in chapter 4, figure 4.3. The 'context matrix' offers territorial authorities guidance in understanding the relationship between the role of strategic planning and the

institutional context. An interpretation of the ‘context matrix’ suggests that strategic planning should be tailored to the specific context it is being applied to.

Figure 5.4 presents the position of each territorial authority within the context matrix. The position has been determined by combining the political context and role of strategic planning research results from chapter five sections 5.1 and 5.3.

The results suggest that only WCC can truly maximise its success with strategic planning through implementing a broad role. While the territorial authority case studies can also achieve success, that success is be fettered by what is realistic from adopting a moderate to narrow role for strategic planning.

Figure 5.4 Context Matrix Results

Hambleton's Scenarios	Separate Admin & Political Traditions	Combined Admin & Political Traditions
Apolitical Response	Context 1 <i>NARROW ROLE</i> <div>MDC</div>	Context 2 <i>NARROW-MODERATE ROLE</i>
Political Reaction	Context 3 <i>NARROW-MODERATE ROLE</i> <div>PNCC NSCC</div>	Context 4 <i>BROAD ROLE</i> <div>WCC</div>

Chapter Six

Conclusions

6.0 Introduction

In the introduction of this study, reference was made to the views expressed in a 1991 review by the Parliamentary Commission for the Environment on strategic planning. They recommended six elements that councils should embody in their strategic planning initiatives. These were:

- be politically focused
- provide consistency between plans, policies and objectives
- be flexible in terms of review and operational significance
- consider the long term
- be issue and priority focused
- be consultative.

These six elements provided sound guidance to councils at a time when the path forward was not clear. This research aims to build on this guidance through assessing the prerequisites for strategic planning derived from theory and practice. In addition, this research aims to establish whether strategic planning can provide benefits to territorial authorities in their policy and decision-making. A summary of key findings presented in section 6.3 seeks to answer the principal research problem.

The following discussion seeks to provide a contribution to the understanding of the value of strategic planning to territorial authorities by focusing on research objectives four, five and six. The research objectives one, two and three have been fulfilled, with the findings included in the analysis of objectives four, five and six.

Objectives one and two are concerned with findings from theory that have been summarized in chapters two to four. Objective one was achieved by reviewing private business sector strategic planning. This review culminated in the presentation of a series of strategic propositions in chapter three, figure 3.4.

Objective two was achieved through a review of theory related to the institutional context of local government and theory related to the role of strategic planning in local government. The review of the institutional context culminated in the presentation of a continuum of political approach in

chapter 2, figure 2.4. The review of theory regarding the role of strategic planning culminated with the presentation of a 'context matrix' in chapter 4, figure 4.3. The context matrix provides a means of drawing a relationship between the institutional context of a territorial authority and the role of strategic planning. Objective three was achieved by the application of the continuum of political approach to the territorial authorities studied and a discussion of the results in chapter five, section 5.1.

6.1 Strategic Planning Approach

The following section draws upon the 'assessment of strategic planning initiatives' presented in chapter five, section 5.2 to fulfil research objective three.

What are the essential elements of a territorial authority's approach to strategic planning?

Most of the territorial authorities studied addressed all of the common theoretical elements of strategic planning. Those those that did not, either expressed an intent to progress their initiatives, or had implemented their initiatives in a deliberate well-researched manner. The following discussion provides a summary of the key theoretical strategic planning elements adopted by the case studies.

By considering the territorial authority's approach to strategic planning, along with the strategic propositions developed from theory the essence of a territorial authority's ideal approach to strategic planning is identified. The following elements provide the basis for discussing the key elements of a territorial authority's approach to strategic planning:

- have a clear and defining purpose
- be balanced in approach to strategic planning
- incorporate a longer term perspective
- consider resource allocation and capability
- assert discipline in business management and decision-making.

Defining purpose – The management staff and councillors had not focused on any specific purpose for why their council was undertaking strategic planning. In the strategic plans examined, an overriding sense of purpose became blurred amongst many purposes. For example, in the private sector a higher level stated purpose might be to achieve increases in profitability via implementation of strategy. In the case studies the stated purpose typically revolved around achieving improvement in the economic, social and cultural well-being of communities of interest.

It is evident that strategic planning in the private business sector benefits from a very clear and simple purpose, that being to achieve success as determined by the market. The application of strategic planning within a territorial authority would also benefit from centering strategic thought and action around a very simple theme. For example, the mixed messages that all participants were receiving about the key purpose of strategic planning, created confusion and hampered co-operation within the process.

Balance – Theorists stress the importance of attaining balance in approach between the rational and non-rational elements of strategic planning. The essence of this balance is between providing instructive guidance to decision makers through formalizing the strategic problem (Ansoff, 1969, 11), and encouraging initiative and opportunity-seeking behaviour to deal with the strategic problem.

The territorial authorities who had spent more time and resources on their strategic planning initiatives, also tended to have very structured and sophisticated approaches. It is possible that territorial authorities are more likely to adopt a rational comprehensive approach the more they progress their planning initiatives. The reasons behind why a rational approach as opposed to an intuitive approach was adopted by these councils included:

- the desire for transparency in strategic decision-making due to the requirement of democratic process.
- an over compensation for poor quality of decision-making at a political level. The rational nature of the plan is an attempt to formalise and simplify complex decision-making for councillors.
- the embodiment and emphasis of long-term financial planning in the strategic plans combined with its strong links with Annual Planning emphasized the importance that most case studies placed on quantitative goals. The heavy emphasis on financial objectives where achieving defined medium to longer term operational and capital expenditure forecasts stifles intuitive approaches.

The strategic goals generated in the strategic planning processes reflected or embodied the conservative nature of the council and in turn the community that it serves. A rational approach is also consistent with the constraint focus that many theorists argue surrounds local government. For example, constraints such as structural determinism and reactive modes of operation tend to encourage a 'wait and see approach'. In this situation a rational model can provide councils with the means of presenting 'window dressed' versions of current modes of operation and planning.

The only territorial authority to adopt a less conservative vision had a greater element of intuitive approach embodied in the strategic plan.

The complex nature of some of the strategic planning initiatives to a degree reflected the issues of transparency surrounding territorial authorities. If executed effectively, a rational approach to strategic planning can provide a high degree of transparency to decision-making. It could also provide more discipline to the decision-making processes via mimicking the thought processes of a competent strategic thinker.

While the territorial authorities tended to rely on rational approaches there was evidence of the utilisation of intuitive and non-rational approaches. For example, some case studies acknowledged the need to build in flexibility, so the community, council staff and politicians could generate and implement solutions to strategic issues on an ad-hoc basis. In addition, scope for intuitive behaviour was evident within the decision-making interface between councillors and management. For example, the nature of the decision-making process between councillors and management played a key part in determining use and level of intuitive behaviour in the setting of strategic goal.

Long-term perspective and change – The normative view that strategy should incorporate long-term perspective into current decision-making was supported in practice by the territorial authorities. Most factored future considerations into their strategic planning initiatives through identifying important issues in the external environment. However, the methods and criteria used for identifying and prioritizing the critical issues were ill-defined. In most cases, the linkage between strategic issues and strategic goals was difficult to make. Writers recognized that this could impact on the ability to make strategic choices in the light of a mismatch between strategic goals and the external environment.

While councils adopted clearly defined methods for identifying longer term strategic issues (e.g. SWOT analysis and/or political agenda) their response in terms of controlling those issues was mixed. This was consistent with strategic theory that identified two potential approaches for responding to external issues. The first approach saw the management staff adopting the attitude that shaping the external environment would enhance strategic performance. Examples of strategic goals geared around shaping the external environment included PNCC's educational/ life long learning theme, and NSCC's land-use development planning. However, it is always questionable whether the desired outcomes will be achieved using this approach given the limits of forecasting and the complex external dynamics.

The territorial authorities combined the above approach with the acknowledgement that they needed to equip the organization and the communities with the ability to respond, adapt and/or cope more effectively with future change in the external environment.

Finally, the generally conservative approach registered on the continuums of strategic approach reflected the caution of councils in moving from existing structures and processes for dealing with the long term and change. While the councils studied built on known trends and issues in an incremental manner, there was an acknowledgement for the need to break from conservative practice. For example, most were beginning to focus on building competency as a means of dealing with change. In addition, some of the strategic plans researched had elements of opportunity-seeking with some strategic goals being built on perceived strengths, such as caring communities and/or existing industry.

Resource allocation – Theorists and business managers recognize that most companies have ‘core business’ or ‘core service’ that is based on a distinctive skill set and asset base. It is acknowledged that developing a clear understanding and agreeable commitment to the ‘core service’ may not always be straightforward.

All of the councils identified (to varying degrees) with the notion of aligning the organization to the provision of core service. In addition, management felt that strategic planning had assisted in consolidating the understanding of the council’s role in providing services to the community. Strategic planning provided a decision-making framework that focused the council’s role against the broader context of a changing external environment. For example, PNCC envisage the strategic plan as providing greater transparency regarding the sale or purchase of significant assets.

An important aspect of understanding a council’s core service is the need to continually align the organization with its external environment. The territorial authorities had not defined or developed performance feedback mechanisms to ensure a continual alignment.

In addition to defining the council’s role, the more detailed plans also provided a focus on the organization’s resources in terms of allocation and capability. For example, NSCC’s strategic plan placed an emphasis on long-term financial planning by requiring a fit between the council’s strategic goals and its financial resources. However, the councils did not place a similar emphasis on building external resource, such as the emphasis placed on strategic alliances formed in the private business sector.

Business discipline - All the case studies held the view that strategic planning should provide a framework to guide decision-making and impose disciplines of thoughtfulness and consistency in

management. For example, the development of long-term financial strategies within the strategic planning processes represented one method used for achieving business discipline.

However, tensions within the strategic planning process could influence its degree of effectiveness in improving business disciplines. The key tensions observed related to:

- ownership and buy-in to the strategic planning initiative
- formulation of the strategic goals
- short term expedience versus medium to longer term considerations.

Firstly, strategic theorists identified the learning curve that organizations go through as they implement strategic planning for the first time. Many of the tensions that were evident within the case studies' initiatives were attributable to the lack of practical experience of strategic planning. For example, most of the management staff interviewed acknowledged that they would do things slightly differently a second time around. In addition, while most of the approaches covered the salient aspects of strategic theory, they were also measured in terms of acknowledging that the process could be further improved.

The formulation of strategic goals and short versus longer term considerations relate to aspects of strategic approach that could be improved as the councils gain more experience. Tension developed between the senior decision-makers regarding the formulation of strategic goals. This mirrored the more widely acknowledged problem associated with defining the management and political decision-making boundaries. Most of the case studies had factored this tension into their processes through implementing highly inclusive visioning and educational processes. Arguably, one TA had a strategic plan that was perceived by politicians as not representing a balanced political agenda. The comprehensive nature of the strategic plan created an obstacle to re-define the strategic goals to accommodate the changing political agenda.

Finally, the comprehensive nature of some of the plans, combined with a lack of strategic performance measurement processes, creates an environment where short term actions override strategic thinking. For example, the lack of strategic measures provides too little accountability of senior decision-makers.

Has strategic planning been adapted to suit the purposes of a territorial authority?

While territorial authorities have only recently become involved in formalised approaches to strategic planning there are some subtle adaptations have occurred compared with private sector initiatives.

The adaptations relate to the territorial authorities treatment of the visioning process and the derivation of strategic goals. Private sector strategic theory identifies the need for the vision process to align people and ideas by creating a common identity and a shared sense of purpose. A private company can be autocratic in the way it achieves this. On the other hand, territorial authorities are presented with the additional challenge of aligning people and ideas in a democratic context.

The territorial authorities recognized that citizens needed to be involved in the process of identifying the strategic direction of their communities. Principles of democracy and local government's role in sustaining and possibly extending democracy provided the motivation for doing so. In addition, the specific requirements of strategic planning, such as the need to generate strategic goals, shaped the vision process. For example, most of the visioning processes represented a variation (albeit an improvement) over previous consultative processes.

The specific differences in approach for deriving the vision have been presented below as examples of practice. The common difference between these approaches and strategic theory is that they satisfy the requirement for democracy.

- NSCC used a scientific survey approach for involving the community in identifying and prioritizing the city's key issues. While this approach allowed a greater number of residents to participate in shaping the city's future, it did generate suspicion and non-acceptance of results from politicians and some members of the community.
- WCC used a politically derived vision based on an elected mandate and handed down to the organization to implement. This style of visioning is the closest approximation to what could occur in the private business sector. While the style of visioning provided strong political impetus to the strategic planning process, it also had the potential for conflict between councillors and management due to the interpretation of the vision. In addition strong political vision will always have a number of detractors, especially as the vision process is more likely to alienate significant community groups.
- PNCC used a vision process involving a wide buy-in from politicians, community groups, private enterprise, and individuals. While this approach decreased the level of opposition to the vision and enabled issues to be explored with a degree of political rigour, the process diluted the strategic goals through a process of consensus.

6.2 Role of Strategic Planning

The following section is centred on research objectives three and four. This section draws upon the 'assessment of the role of strategic planning' research results presented in chapter 5, section 5.3, and relevant theory in chapters two and four. This section investigates the underlying purpose for why strategic planning has been adopted and how it might best be utilized within a territorial authority.

What is the perceived role of strategic planning in both governance of a territorial authority and the management of the corporate entity?

Observing the strategic plans in isolation of any discussion with council management or politicians provided an array of reasons for adopting strategic planning. Common elements drawn from the strategic documents included:

- strategic planning involves consideration of a longer term planning horizon
- establishes a direction or vision for the community
- establish priorities and reflect these through appropriate resource allocation
- integrate planning frameworks
- co-ordinate operational planning initiatives
- objective and goal setting
- achieve community buy-in to the council's programmes.

In practice, strategic planning initiatives of councils would have benefited from centering their range of expectations into simple statements of purpose. While strategic planning theory comprises many elements, private sector business generally grounded strategic planning on the notion of improving competitive advantage. It seemed that the case studies either had difficulty in finding a public sector equivalent to 'competitive advantage' or had entered into the process without considering the need for a clear and simple focus.

From the interviews with management staff and councillors, the councils' expectations for the role of strategic planning could be underpinned by three simple themes. These are:

- align the organization with community aspirations
- enhance the provision of service to the community
- impose further business disciplines.

While these themes have a mutually inclusive relationship, they could all be used either independently or jointly as a higher-level purpose for strategic planning. It is possible that the particular use of these themes may create an emphasis on the role of strategic planning. For example, under the theme of aligning the organization with community aspirations, strategic planning could focus on issues surrounding governance and corporate decision-making.

However, whatever emphasis that is created by a higher level sense of purpose, there is a number of factors that should remain constant in any strategic approach. The only variation occurring within a strategic approach will be the degree of application of each of these factors described below:

- imposing disciplines on decision-making processes
- generation of strategic goals
- operationalizing strategic goals
- improving organizational performance
- defining what services are required
- extending democratic process.

Transparency in decision-making was identified at two levels, the first being the processes of deciding higher-level policy and the second being the influence of strategic planning on operational decision making. The mixed messages that were transmitted between officers and councillors highlighted the different expectations held by each group. On one hand, management staff held the firm expectation that strategic planning would provide a framework within which all higher level policy decisions would be assessed. It was clear that management staff held the expectation that strategic planning should provide a transparency and clarity of the role of council and the services to be provided.

Councillors on the other hand, held mixed views, with a minority advocating strategic planning as a means of imposing more discipline within the decision-making processes. However, many councillors were concerned about losing flexibility in decision-making under strategic planning. Reasons behind this stance included the overly-complex nature of the strategic plan, the existing comfort councillors had with the Annual Plan process, and the greater flexibility it provides for changing policy. For example, the Annual Plan process is a relatively crude way of prioritizing resource allocation when compared to a well-executed strategic planning process. As such, it is possibly an easier process to capture in terms of passing marginal policy.

The gap between the expectations of management and councillors constitutes a serious problem in utilising a strategic plan as a tool for decision-making. For without both management staff and councillors having a consistent and clear notion of their respective roles, the on-going process of decision-making will never be truly strategic in nature. While at some level a general sense of strategic direction may be derived from the process, the day-to-day disciplines imposed by strategic planning on decision-making will always be questionable. Writers on strategic theory identify the need to be able to translate strategic plans to an operational level. For this to occur in a territorial authority, both management staff and councillors need to either understand the strategic direction of the plan or at least have the ability to think strategically when acting operationally.

Within each case study the process of setting strategic goals highlighted the informal and undefined decision-making boundary between management and councillors. In each council the vision process provided the key mechanism for reaching agreement between councillors, management and the community. While these processes tended to be informal and highly dynamic, degrees of influence over the role of participants in the process had occurred in two ways.

Firstly, the vision processes that were highly inclusive and substantial in terms of organization effort, tended to provide participants with a gradual appreciation for strategic planning. However, the strategic goals from the extended and highly inclusive processes tended to be vague. The second approach saw WCC's political leadership generate a distinct vision. In this instance councillors and management seemed to have more clarity in their respective roles.

The ability for management to tailor and justify its operational actions in terms of achieving predefined strategic outcomes was an important expectation that they held. The strategic documents also provided evidence that this link was being sought. For example, most of the strategic planning documents had identified actions, such as projects, to help achieve the strategic goals.

It was at this operational level that performance measures associated with the strategic planning initiatives were being struck. Typically these measures could be associated with short term operational activities such as operational efficiency, budget control and project management. Neither councillors nor management were not aligned with theorists with regard to implementing strategic performance process. This would be typical amongst all the territorial authorities in New Zealand and represents a significant challenge to maximising the benefits of strategic planning. Councillors and possibly CEOs have a vested interest in not producing strategic

performance measures, because by not producing them they decrease their accountability to the community.

The implications of not having strategic performance measures are also associated with issues surrounding the quality of decision-making. While councils expected their strategic plans to improve the quality of decision-making via the disciplines of a decision-making framework, they had not addressed issues of measuring the effectiveness of policy decisions. In addition, the territorial authorities often struggled to provide a link between strategic performance, strategic issues and strategic goals. This could cause a problem if the risks attached to a particular issue were not be effectively internalised in the strategic decision-making.

While strategic performance measures had not been derived the management staff and councillors recognised the need to factor in the community's aspirations into their strategic goal-setting processes. In doing so they had informally internalised issues of risk into the strategic process. The desire to extend democratic practice rather than implement theory relevant to strategic performance measurement provided the key motivation for involving the community.

6.3 Role and Context – compatibility of strategic planning

What is the relationship between the role of strategic planning and the institutional context that it is being applied within?

This section is centered on research objective 6 and draws upon the research results presented in chapter 5, figure 5.4. The findings indicate that a relationship between the institutional context and the role of strategic planning exists as suggested by 'context matrix'. The findings of each territorial authorities' position within the matrix was consistent with an intuitive estimate.

However, the crude nature of the matrix precluded a more accurate rational assessment of any relationship between role and context. Theory relating to organizational dynamics that may have enriched the research by adding a further dimension to the influences on decision-making processes, was not explored.

However, a basic relationship could be drawn suggesting that if a territorial authority wishes to adopt a wide role for strategic planning then it must satisfy two basic conditions in order to succeed. The first condition is that a territorial authority must be pro-active in its policy statements and more importantly its actions in extending democracy. The second condition is that a territorial authority requires a high level of co-operation, understanding and trust between management staff and councillors.

6.3 Key Research Findings

The following questions provide a focus on the essential research findings and their contribution to answering the research problem: is strategic planning useful to territorial authorities for policy and decision-making? The questions are:

- is the exercise of strategic planning a worthwhile endeavour for territorial authorities based on the research observations?
- is it possible to adapt strategic planning in a context of local democracy?
- what are the prospects for strategic planning?

Strategic planning can be a worthwhile exercise to territorial authorities if it is used in a broad role as identified in chapter four. However, there are a number of significant challenges to overcome before any sense of progress can be attributed to strategic planning. The critical elements that are problematic include:

- the strategic decision-making processes were not defined and were a source of tension and uncertainty. Management staff and councillors operated in an environment where the boundaries between who made decisions of a strategic nature and who was responsible for those decisions was dynamic.
- strategic performance measures and processes were not developed enough to be of use for strategic planning. This has negative implications for determining accountability for strategic decisions and including the appropriate level of risk in those decisions.
- a risk of the territorial authority's strategic planning processes and documents becoming overly comprehensive. Successful strategic planning is linked to the use of both rational and intuitive process. The institutional context of local government tends towards bureaucratic behavior and the desire for transparency in decision-making. These factors can stifle the use of intuitive anticipatory behavior.
- the pressures of making the strategic planning process democratic made it increasingly difficult to develop meaningful strategic goals. The visioning processes were generally influenced by political agenda. This agenda did not always reconcile with the significant issues that should be addressed within the strategic plans. Equally, the pressures of including and understanding the diverse views of the community in the goal setting process creates a unique set of challenges.
- the centralised nature of strategic planning does not fit comfortably with forms of democracy involving devolution and/or decentralization. Although centralized control of

strategy can be combined with goals and actions derived from the community, it involves a higher a degree of management staff input.

- Territorial authorities do not have a lot of organisational experience in strategic planning and encounter many difficulties with implementation. Local government will need to build on its knowledge based on the practical experience of territorial authorities implementing strategic planning.

Despite these challenges strategic planning can be useful to territorial authorities if change involving the private business sector strategic model and the institutional context of local government can occur. For example, an important adaptation to the strategic model involves customising the visioning process to allow for effective and efficient participation by the community. An important change in the institutional context involves management staff and councillors having their roles defined in a way that allows for a clearly understood strategic decision making process. Combining these changes could see the quality of the strategic agenda improve along with improved feedback on the community's priorities within this agenda.

Finally, prospects for the continued use and development of strategic planning within territorial authorities are uncertain. A combination of legislative change and the difficulty in assessing the benefits of the current strategic planning initiatives fuels this uncertainty. At the time of conducting this research an amendment of the LGA 1974 was being drafted. The amendment focused on further improving the financial management accountability of territorial authorities, requiring amongst other things a long term financial strategy (LTFS). It is possible that many territorial authorities will look to the legislation when defining their planning requirements. As such, the LTFS may supplant the broader role of strategic planning identified in this research.

In addition, a number of other issues either create a negative impression of strategic planning or create obstacles for addressing many of the challenges that confront territorial authorities . These issues include the resistance of councillors towards change, the lack of any legislative pressure on defining the role of councillors, a poor political perception of the strategic plans and the difficulty with implementing these plans.

Although strategic planning faces significant challenges in terms of implementation and the definition of what constitutes strategic planning in local government, it still provides an excellent means of framing both internal and external issues for decision-makers, including the community. At the very least, it encourages participants to think about the issues that normally fall outside of standard practice and process.

6.4 Research Limitations

Significant factors that potentially limit the quality of research findings are as follows:

- the qualitative methods adopted for the study introduce researcher bias
- the quantitative methods used, such as the scoring of attributes from the plans, means that some level of information is not captured in the presentation of research results
- the small number of case studies used in this research
- unavailability of New Zealand local authority strategic planning case studies.

The important limitations within the qualitative methods used were the scoring of the database criteria and the interview process. Scoring the database involved this researchers' subjective judgement on the position each case study took on each political and strategic approach continuum. This introduces the possibility of a variation in the interpretation and treatment of criteria taken from the strategic plans. However, methods used in this research attempt to minimize these problems and provide transparency as to the derivation of results.

As interviews were conducted in a semi-structured manner, it allowed the interviewer and respondent a degree of latitude with the questions and answers provided. An advantage of this method is that the interviewer can be flexible with the timing and manner in which a question is approached. This allowed the respondent to contribute more effectively. However, the quality of data obtained from the interview is dependent on the skill of the interviewer. The problems experienced by this researcher in the interview process included, the limited amount of time available to interview respondents (i.e. between one and 1 1/2 hours), the recall for some of the questions was strained at times leaving some questions unanswered, the difficulty of both keeping the interview focused and ensuring the questions were captured. This researcher employed a number of techniques to reduce these problems including: repetition of questions, refocusing the respondent, keeping the interview moving and returning to difficult questions at a later point in the interview.

The quantitative methods used in the study provide an excellent means of translating a large amount of qualitative data into a digestible and transparent format. However during the process of conversion a degree of information loss occurs. For example, assumptions made on the weightings assigned to the qualitative data could potentially mask or distort actual practice. To reduce information loss all the information sources were read in a concentrated session followed by the immediate recording of the findings against the research criteria contained in the database.

The small number of case studies limits the degree of drawing conclusions for local government as a whole. However, as the case study councils represent a cross section of approach to strategic planning there is no reason why their experiences cannot be transferable to other territorial authorities.

When researching literature for this study there was not a prolific quantity of academic material relating to the adaptation of private sector strategic planning practice to local government. Nor was there a great deal of case study material relating to the experiences of local government in New Zealand in adopting private sector strategic planning. The lack of literature and case study material limited the pool of academic thinking available to this researcher. As a consequence the research tends to have a wider focus.

While the research results tended to clump most of the councils together this researcher was aware that the expectations of strategic planning and consequently the process itself were changing rapidly. This was perhaps due to the officers and councillors gaining more knowledge and more importantly practical experience in strategic planning. In fact, Ansoff warned of the potential problems faced by organisations that had a lack of political and organizational experience with strategic planning.

Finally, assumptions were often made regarding the actions and thoughts of many in the council. This researcher made subjective assessment as to the use of interview comments that expressed an opinion or passed judgement for other individuals (e.g. a councillor making a comment regarding the thoughts of other councillors). In general, this researcher felt that the senior management interviewed could speak on behalf of other employees, while comments passed by councillors were more carefully scrutinized.

6.5 Future Research

This researcher considers the following points could be considered in future research:

- revisit the case studies to assess the change in practice that has occurred and the outcomes of strategic planning.
- reassess the relationship between the institutional context and the role of strategic planning by including current theory and case study analysis of TA practice and broadening the study of institutional context to include decision-making dynamics of large organizations.

Appendices

Appendix I Political Context database

	Palmerston	Waitakere	Masterton	North Shore	
1 Pilot study Results – this provides a benchmark against all Councils in New Zealand.	Score of 3 from a range of 3 potential scores of –8 to 9.5 This score can be loosely associated to approximately half of all the other Councils throughout New Zealand.	Score of 4.5 from a range of 3 potential scores of –8 to 9.5 This score can be loosely associated to approximately half of all the other Councils throughout New Zealand.	Score of 5.5 from a range of 3 potential scores of –8 to 9.5 This score can be loosely associated to approximately half of all the other Councils throughout New Zealand.	Score of 1 from a range of 3 potential scores of –8 to 9.5 This score can be loosely associated to approximately half of all the other Councils throughout New Zealand.	

2	Has political commitment for the strategic planning process been comprehensive or superficial?	Mayor not high profile in the process. Deputy mayor chaired the Goals and Strategic Committee – small group of Councillors selected for understanding of the concept. Three workshops involving all Councillors. Some Councilors suspect a level of corporate capture of the process – however the consultative process has been inclusive enough to substantiate the vision and plan. General feeling of getting more in touch with the community and assisting with the prioritization of projects. Some longer serving Councilors see the process as nothing new.	3	Mayor's election platform predicated on Eco-City Vision and the need for a strategic Blueprint Alliance block of Councillors support the Mayor Other Councillors are either non-supportive of the vision or have reservations. Councilor on resistance to vision pg2, 'WCC strategic plan can be seen as anti business....standing on such a strong environmental platform'	4	Mayor and a select group of councilors supportive of strategic planning and have been responsible for getting it into the political agenda. However, the vision is extremely diffuse making it difficult for the organization to produce an operationally meaningful strategic plan.	3	Previous council identified the need for a strategic plan and provided the organization with a mandate to produce a document based on the consciousness of the community. However newly council elect are looking to reverse mandate to reduce the overly prescriptive nature of the plan.	2
3	Was the vision process inclusive	Yes – Community workshops	4	Yes – Community Workshops	3	No – mainly based on submissions, however some workshops.	2	Yes – Community Questionnaire and resident workshops, special interest and councillor groups.	4

4	Is political buy-in to vision is evident	4	Yes	4	Yes – weak	2	Yes – previous council No- current council	2
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5	Is there recognition within council for a need to change existing consultative process. (Wide mandate V's Narrow mandate)	Yes – some councillors and all officers acknowledge the increasing pressure on Council to understand and reflect different community perspectives into Council's role. They also acknowledge a greater community expectation of being involved in decision making. Strategic planning is being used to develop and strengthen a sense of community. Clare p6. Corporate is looking for higher value input – and more focused than say the submission process. Politicians recognize that improvement is required over traditional methods – talk of the 'numbers game' when referring to the submission process – not always a sound process.	Yes – some councillors and all officers acknowledge a desire to move from representative style demos to a participative style. Councilor on community and organizational values, 'I have difficulty with councillors who can distinctly talk about community and organization values I think it is blurred – because there is quite a lot of formal participation in the council processes, we have working parties that involve officers, councillors and the public as full working members'	No	2	Yes – previous council recognized the need to tap into community consciousness Current council elect have a devolution agenda that sits uncomfortably with the centralize nature of the strategic plan.	4
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6	Is there a political commitment to strengthen participative or consultative evaluative methods? (Framing of issues on consultative based mandate)	2	A mixture of messages came through from politicians and officers. Generally politicians see their representation as being the key democratic process. Officers do express the need for a sense of community, however decision making effectiveness and efficiency through more targeted consultation swings towards a market model. Councillors' commitment to participation is unclear in terms on one hand legislative compliance to consult adequately and the development of traditional methods of participation is noted. On the other hand, this researcher got the feeling that politicians were not comfortable with participation with a direct influence on decision making. Politicians interviewed felt that the evaluation of participative contributions and the final decision making is their core role. "In the end Council makes the decisions". In terms of commitment to change "Council has a life of its own...it will go on as it always has" Brown p 9 when referring to the strategic plan being subject to new political pressure. The commitment to improve the evaluative process underpinning consultation seems to be officer driven.	2	Officer pg4 I guess we make a greater attempt as we possibly can to establish whether we're getting a representative view of an issue...even though public input is highly valued decisions must still be made'. 'pg. 5, we've tried to create more of a on-going dialogue with the community...we're looking to achieve consensus across individuals and communities' This combines with political comment re the role of a councilor should be one of mediation and facilitation.	3	Not particularly — got the feeling the elected members have a paternalistic attitude towards governance. Although effort is being made to involve, the public comments suggest that nothing has radically changed in the process of consultation. In addition, lack of public interest tends to suggest the community is divorced from Council Activity, apathetic or the process is inappropriate.	2	New council No — how-ever wish to devolve decision making to Community boards — remains uncertain whether Community Boards would encourage participative democratic behaviour (given strong parochialism drives the call for devolution — this might lead to a lowering in the quality of decision making)
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7	Continuum of Organizational focus Vs Community focus	<p>Officer, City Vision Community – Strategic Plan Organization.</p> <p>Politicians, City Vision Community – Strategic Plan unclear.</p>	2	Officer, community focus	<p>Politician, community focus however a degree of political leadership and organization selling an idea to the community.</p>	5	Officer pg1 'the community is less affected by strategic planning compared to the asset managers'	3	Officer, community focus on the vision, an organization focus on the strategic objectives & actions.	2
8	Continuum of Organizational values Vs Community Values	<p>Officers – Community Politicians – A balance of both.</p>	3	Officer, a balance of both	<p>Politicians – A balance of both.</p>	3	Officer, a balance of both	3	Officer, a balance of both	
					<p>Politicians – leaning towards community values</p>		<p>Politicians – leaning towards community values</p>		<p>Politician , leaning towards organizational focus</p>	

9	Is there intent to devolve some decision making to community boards/ Ward Committees.	No. Ward Committees are generally not very vocal – although they have not been established that long. Their input to the City Vision was limited Brown p5. Delegation of powers is raised triennially.	2	No – officer pg. 62 '.....community board submissions are treated in a similar way to public submissions. 'Increased decision making discretion to community boards is along way off', however it is mentioned in the 'Greenprint ' as a something to work towards (pg. 18).	2	No – and they don't exist	2	Politically Yes Organizational resistance due to Strategic plan seen to be compromised	2
10	Researchers intuitive feel for position on the political continuum.	This Council possibly sits to the left of mid point. Commitment to the community is about customer focus and, political decision making and legislative compliance.	2	Council has a strong political platform based around agenda 21. Organization seems to get behind it.	4	Very conservative council – councilors interested in decision making mandate - community not politically motivated -	2	Current council seems to be split between a role of being the 'decision makers' for North Shore and bringing about devolution. I suspect the devolution camp have a representative style of demos for the CB's in mind.	3

11	What evidence is there of commitment to Central Government market driven philosophies?	Focus on core role and justification of that role. Council will be divesting assets used to provide non-essential services. The Bus company was sold. User pays was put to the vote at the strategic planning workshop – officers block voted. Political mood is cautious but in agreement with corporate driven initiatives.	2	A political mood for collaborating with Central Government regarding national issues with regional significance and a mood for going it alone.	5	A political mood exists of tuning in to the responsibilities that may be devolved directly or indirectly from central govt.	2	The strategic plan has been prepared with operational linkage – providing a clear mandate by which officers can progress with managing the city and allocating resources.	2
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Appendix II Strategic Planning Initiatives – Not Consistent Vs Consistent with Theory

Strategic Planning Initiatives	Palmerston	Waitakere	Masterton	North Shore	1	2	3	4	5	6	7
Will strategic planning put pressure on performance criteria & evaluation?	Key performance measures are listed in for each activity in the strategic plan. The effectiveness of the measures will largely depend on, how they are reported to the senior executives, public and councillors, and the level of management commitment to improving the measures	Specific performance measures not yet formulated. General strategic action areas over next one to three years for each of the key focus areas in the strategic plan. These could form the basis of more specific operational performance indicators	Document recognizes the need for monitoring & evaluation of achievement of common goals. No detail yet.	Yes - due to the identification of specific actions called for in the SP.	4			0		0	
In a broad sense, what does the Strategic plan focus on?	Document focuses on financial scenarios – fiscal responsibility, and key result areas.	Document focuses on underpinning philosophies that will assist in providing an integrated framework upon which detailed policies and plans can fit. The document has yet to be developed in the area of identifying an appropriate organizational structure, skill sets and resources required to achieve an integrated framework.	Focus is on fiscal responsibility and asset management. Does provide underpinning philosophies for decision making. The plan does not reflect these philosophies clearly in outcome areas.	Focus is on outlining a broad program for the next 20 years based on prioritized issues (vision - developed into goals) and identifies the means for achieving vision (financial program) and some specific actions and roles for Council.	4	0		0			

How have the community been included in the process?	'City Vision' consultation comprised 4 of workshops with key organizations, 250 submissions received from general public, public survey of views on city future, draft 'City Vision' document circulated. (variable 58)	The Greenprint draft is principally a vision 2 document providing broad principles & actions that have been derived from political action. The document sells the vision based on Agenda 21 , RMA, T of W, & LGA. The public is being consulted through a variety of methods falling outside of past practice.	The document recognizes the inclusion of 1 the public as the corner stone of the strategic plan. Consultation has been in line with the Annual Plan process.	Yes - Questionnaire sent to all 3 residents & businesses with 8472 responses, 12 focus group meetings with 6 different groups.	3	0													
How does the strategic plan deal with political change?	The strategic plan & 'City Vision' are 4 up for review. Broad agreement on prioritization of the key strategic drivers. The financial driver has priority over the other drivers. The use of vision scenarios provides more flexibility within forecasting. Bottom up approach (vision a lot broader & less prescriptive than North Shore).	Recognizes that the strategic plan is for 1 5 to 20 years, providing a range not a fixed term. This recognizes by default that the agenda can change in the future. However, there is no mechanism for incorporating change. Vision is politically loaded; therefore, future change in the plan could be radical. Planning processes are not in place to cope with possible change. Top down approach.	1 Politicians place the Annual Plan above the Strategic Plan in the hierarchy of decision making. They have the discretion to ignore the Strategic Plan. The document flags the intent to comprehensively review the Strategic Plan triennially. Top down approach	A monitoring & review feedback 3 mechanism is identified in the document. However in a practical sense if the assumptions change e.g. the bridge is included as the major issue then the document has to be reworked (goals, actions and financials). This complex task due to the detailed nature of the plan and its many linkages with other documents, other strategic plan documents. How useful and how appropriate is the document to the political process - how do the politicians use it, and accept it (values, issues, the validity of a survey, the highly rational nature of the Strategic Planning method)? Top down approach.	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Is the strategic planning process routine in nature?	City Vision process is not routine. Linking activities to key results of vision has not been done before.	3	No, process is looking to be more inclusive of both the community and staff.	1	Yes; However the SP is looking to integrate existing programs, projects and reviews	1	No - ground breaking exercise	4		0				0	
Has strategic planning put pressure on organizational structure?	Yes! Talk of restructure due to the strategic plan(CC)	4	Not discussed in the document.	1	Not discussed in detail, however under organizational outcomes there is mention of formulating an organization development strategy that is in sync with the strategic role of council.	2	Not discussed in Doc	2				0		0	

What are the corporate impacts of strategic planning?	Is not addressed in the strategic plan, apart from loose key performance measures. The strategic plan does not isolate key organizational issues, nor does it make reference to a corporate plan	Is not addressed in the strategic plan, apart from loose Strategic action areas. Greenprint does not isolate key organizational issues (they are all external) nor does it refer to a Corporate Plan.	The role of Council is addressed - impacts on what and how council goes about its business is to be further developed.	The Council as an organization is a strategic outcome area in the plan. It talks very generally about the need to recognize "modern human resource approaches necessary for strategic thrust, financial management and asset management". Service delivery approach and arrangements are identified as a role of council (section 12.4).	2	0			0		0		
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How are linkages formulated between the strategic plan & other planning documents?	Diagrammatically, and through strategic issues identified within each activity	4	Diagram shows relationships between planning documents as being fluid, with the strategic guidelines & strategic action areas derived from the vision. These guidelines form the basis for more detailed policies and plans. Linkage is rather loose in the document.	2	Diagrammatically pg7. Relationship between the annual plan and strategic plan is defined. The annual plan will shape the strategic plan over time, placing considerable significance on the annual plan. The strategic plan provides a vehicle for considering longer-term issues more rigorously. However, politicians do not expect to be bound by it! Pg2	3	Diagrammatically pg12. A program of current plans and plans to be developed under the umbrella of the strategic plan is given.	4	0						0
Is there organizational commitment to strategic planning?	CEO - small corporate strategic planning management team, - small number of Councillors dissatisfied with the Annual Plan. Gradual process of Lunchtime seminars to bring staff & Councillors on board	3	Politically driven, with a small group of committed officers. CEO in middle ground - supportive yet wary of balance & organization ability to deliver.	3	Some senior councillors, the Mayor, and a small number of officers.	2	Large resource allocation - strong buy in from previous council. CEO gave qualified support.	2	0	0	0				
0 Role of the CEO – Organization's Initiation to strategic planning	CEO championed strategic planning. Identified the need for a long term outlook and consideration of the bigger picture. Set up a strategic planning unit based around the CEO's office.	5	Not a strong role has freed resource for the initiative.	2	CEO- limited	1	CEO limited	2				0			

1	Is there prioritization of Goals?	The 'Great Big Lists'(pg11 strategic plan) is not unlike an annual planning exercise, where the prioritizing of the projects is 'black box' decision making (the criteria used for selecting the projects is not clearly linked to the strategic drivers, issues and goals). Not explicit as to how the major projects selected will achieve the key result areas. Key result areas, activity goals, and strategic issues are not prioritized. The lack of prioritization is reflected in the strategic financial options in that they don't reflect level of vision & goal achievement	2	Greenprint does not prioritize goals. It does however identify issues & goals for each of the 7 key focus areas under the general subheadings of social, economic, and environment.	2	Outcomes are prioritized, High Medium Low.	2	Complex - the visioning (goal setting) process established priorities. Questionnaire ranked respondent's preferences, which forms the basis of the outcome areas.	4		0								
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2	Use of vision?	<p>Vision generation process is intense, and is linked clearly linked to the strategic plan. However its achievement via, financial, operational service delivery, and internal organizational resourcing decision is not clear.</p> <p>The vision to issues link is diffuse i.e. have strategic issues been derived from the city vision process?</p>	5	<p>Greenprint consists of two sections, The first is vision & how vision shapes, the role of Council, policy-making criteria, and operational principles. The second section identifies the 7 key focus areas and the strategic action areas for each (i.e. policy & goals and possible Council actions)</p>	5	<p>The vision has been considered in terms of strategic outcomes categorized into:</p> <p>The districts people</p> <p>The physical environment</p> <p>The districts economy</p> <p>The Council as an organization.</p> <p>Agenda 21 and the plans key assumptions underpin the strategic outcomes.</p>	2	<p>The vision process is inclusive (survey) The document is relatively complex compared to the other case studies. It is based on devoting resources to 4 scenarios being, Status Quo, cities people, cities economy, cities environment.</p> <p>The vision is extremely focused, requiring a moderate degree of intellect to understand it (survey professional bias). The vision is totally integrated into the body of the strategic plan. The priorities established from the vision process are applied as goals & actions under each scenario heading.</p>	3	0		0						
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[illegible]

5	Is the strategic problem of, uncertainty & business fit with External environment acknowledged ?	Yes (7/10)- check for the role/ issue linkage.	4	Not explicit (3/10) Check for role - issue linkage Good linkage between the role of Council and issues, however detail is light.	2	Not explicit, however the SP talks about assigning priority to issues and co-ordination activities thereby reducing risk of unnecessary expenditure. Pg12 They associate Council role with outcomes, however the outcomes are not associated robustly to specific issues. 4/10	2	The external environment is factored in via the SWOT analysis (i.e. part of the vision process). The vision ties in well with the outcomes required including the future role of council. However, the strategic plan only deals with uncertainty through the identification of threats in the SWOT analysis. Uncertainty is not dealt with through organizational responsiveness.(6/10)	3	4				0	0				
6	Are Goals defined?	Yes - at an activity level	5	Yes - for each key focus area	5	No goals - however there are strategic outcomes that are prioritized and the role of Council in achieving the outcomes is identified. The outcomes are not linked in the plan to operational activities.	3	Yes - Strategic Outcomes.	5	0	0								

[illegible]

8	Are the means for achieving the vision identified?	Yes - 13 draft rules for achieving vision. These make up the strategic drivers for the next 10 years, (i.e. 'How we will get there') Also a section on financial strategy, principles & model.	4	Yes – in terms of the 7 Key focus area, and overriding strategic guidelines. The change strategy identifies the need for a long-term financial plan and asset management plans. No in terms of the operational and financial links are not yet developed.	2	Financial schedule of strategic projects is not linked to the strategic outcomes. However the means of achieving the strategic outcomes have yet to be developed through more detailed strategic and asset management plans. The 4 components of vision list strategies for attaining outcomes, i.e.. future policy & plan development.	2	Vision is achieved through the 4 'key element areas'. The long term financial plan is developed, however linkage/commitment between the actions & financials are unclear.	4	0	0							
9	Is there a separation of means and ends?	Yes - very distinct ends in the Vision.	5	The means are still to be developed, the ends are clear.	2	Outcomes are diffuse, means to be developed.	1	Yes- Key policy questions – objectives – actions (These link to the long-term financials).	5	0	0							
10	Does the strategic plan scope the organization activities?	Yes – 18 activity areas identified as being required by Council to play a role in achieving the City Vision.	5	Not directly, but through 7 key focus areas derived from the mission & linked to the role of Council.	2	No	1	Not directly - but through the vision key elements. The actions scope the role of Council, along with service delivery clarification (i.e. Councils role) for each key sub element.	4	0	0							

[illegible]

4	Is a long-term direction specified?	The long term financial plan is based on project identification and not based on issue identification and issue prioritization.	4	The issues are covered in introductions & charts for each key focus area, and the long-term goals seemed to be based on a more comprehensive section on the role of council within each key focus area. Council's role is based of primarily on the vision.	4	The 20/20 document 'provides the basis' of the long-term focus, being 25 years. No specifics on timeframes for outcomes. More specific on rates requirements and strategic projects.	3	'Directions' covers the next 20 years. No specifics on timeframes for outcomes. More specific on rates requirements and broad capital and operational expenditures.	0	0				0
5	Are Organizational implications discussed?	No - not discussed	2	No - not discussed	2	The strategic plan touches on organizational outcomes as one of the 4 vision outcome areas, albeit very general. However, the formulation of an organizational development strategy to match Council's strategic role is flagged (pg23).	2	The council as an organization is identified as a key element, comprising of strategic outcome areas. It covers democratic process, treaty issues, human resources, service delivery approach, financial management, and asset management.	0	0				0
6	Managing organizational change (Planned v Emergent).	No - not discussed. However, the definition in the plan leans towards a balanced approach, planning where possible and relying on organizational responsiveness for unplanned events.	3	No - not discussed - change strategy talks about long term financial plan and asset management plans.	2	No - not discussed. However, the plan notes the requirement of a corporate structure, which enables innovative and quick response to legislative change.)	3	No - not discussed however, the plan is leaning towards a planned approach. Goal 1.2 - manage change over the next 20 years. I am unsure that the strategic plan truly addresses this goal. The entire plan is more about setting a prioritized program.	2	0	0			

7	A Rational or Non Rational Process?	Leaning to rational	5	Leaning towards Non-rational	1	Rational	1	Rational Process - the prioritization of the key outcome areas through survey (focus groups - more subjective).	5	0								
8	Comprehensive or issue driven plan?	Leaning towards comprehensive in that the process has many drivers including issues for justifying the long-term financial plan. Issues are not linked in well with; the long-term capital program, and the goals of each council activity. The issues are not dealt with using a resolution focus, i.e. issues — goals — actions. This would facilitate a link with 'vision achievement'. Only 2 of the 13 strategic drivers link with the strategic issues	3	The plan is largely issue driven.	2	Balance - issues are in the background, and the prioritization of long term expenditure is evident.	2	Issue driven — backed by a comprehensive methodology	5	0								

9	Does the plan provide a framework?	Yes, and the plan states for the following reasons; for identifying key result areas and linking to Council activities, for politically justifying the financial plan, for identifying the decision making criteria implicit in project selection (although unclear), identifying the relationship between the planning processes (i.e. SP, DP, AP, other plans, feedback)	4	Yes, but very loose at this stage, i.e. poor linkage throughout the plan. Document needs tightening up. Provides politicians with broad decision making criteria. Framework is very loose to be of use to the organization. There is a need for, resourcing issues to be addressed, a definition of projects and a linkage of those projects to strategic goals.	2	Yes - for community commitment to a strategic project program. However, the framework does not link vision through to outcomes. The framework does link outcomes to priorities and role.	2	Yes - very tight/ detailed framework, which provides justification for the 28 outcome areas. The framework moves from the present to a preferred future via the vision process. Then addresses the issues that arise and the actions required to achieve the identified outcomes.	5	0	0							
0	How are timeframes dealt with, i.e. reconciling short and long term?	The plan indirectly links the short and long term by discussing short term strategic initiatives along side medium to longer-term goals. Current activity expenditure profiles are also nestled with these goals.	3	It does talk about current action and year 1 to year 3 actions.	3	Not discussed – however mentions inter-generation equity in terms of 25yrs is an appropriate timeframe.	1	Not addressed in the outcome areas, however the plan has a strong financial section that links to annual budget. The visioning process also highlighted to participants the short-term financial implications of medium to longer-term goals.	4		0	0	0		0			

1	Are goals linked to actions?	Yes but not in a robust manner – operational resource is not discussed, i.e. no internal resource issues versus external issues. The long term financial plan may link activities to dollars, however prioritization is unclear.	3	Not a clear linkage - not sure what goals are being achieved by specific actions. The plan is not robust in that operational resource is not discussed, i.e. no internal resource issues versus external issues. Prioritization of the goals is not given.	2	No - the schedule of projects is not linked to the outcomes/ goals (i.e. no attempt).	2	The goals/ actions are ordered under the 4 components of vision, compared to listing outcomes under key council activities. This makes the document more difficult to interpret from an operational perspective. Loose association of outcome areas with activities (managers are accountable for vision areas)	3	0	0									
2																				
3	What underpins the framework	Direction of the external environment (city) was ascertained through the 'City Vision' process. This allowed the Council to develop the strategic plan based on confirming its role and actions required to fulfill this role with more focus & discipline.	4	The framework is underpinned by the vision which is Agenda 21 driven and Council's key role in achieving that vision.	2-3	Agenda 21 is identified as providing a useful framework for the development of long term objectives. See diagram pg4 MDC strategic plan. Council's role in achieving the vision is central to the plan.	2-3	The framework is underpinned by the 'Choices for the future' / survey process. This is the archilles heel of the entire strategic plan focusing on the longer term, core role of Council, managing change from a financial perspective. See method and diagram pg108 thesis.	4	0										

4	Is the strategy emergent, i.e. seize opportunities, uncertainty, change? See 26	The plan is vague enough to allow the organization or individuals to follow through on opportunities.	3	The green plan is more emergent, in that it does offer and accepts other possible strategies for the City, i.e. pg15 "recognition that eco-city will be a gradual process, involving many small initiatives".	4	Incremental program – project schedule, there is no development upon philosophies of agenda 21 and any changes required in council or community approach to issues. Conservative community.	-3	Some latitude for movement mainly via the annual plan process, i.e. the outcome to financial link is open to interpretation.	3		0					
5	Is the strategy deliberate, i.e. controlled, instructive?	Instructive through financial commitment.	4	Hard to tell because the detail not developed on resource coordination, i.e. asset plans, long term financial plan, prioritization of projects linked to the annual plan process not evident. Not sure if and how they are building flexibility into there annual plan and long term program.	4	Hard to tell because the detail is not developed on resource co-ordination, i.e. asset plans and long term financial plan. However, seems to be deliberate in terms of the project schedule? Other than this, everything else is rather vague.	2	Leaning more towards a deliberate strategy.	4		0					
6	How prescriptive is the plan?	Politically prescriptive - it guides politicians on expenditure decisions e.g. the big wish list. Less prescriptive to the organization about the means. The vision is balanced with some prescriptive elements (this is what you should do) & the very general	3	Prescriptive to the degree of providing strategic action areas for 1-3yrs. Vision is prescriptive – spells out the things that need to happen thereby defining a particular path. Seemingly, only one path to achieve the vision?	3	Prescriptive in terms of prioritizing the outcomes in each of the strategic vision components (although very general).	1	Prescriptive in terms of prioritizing the outcomes in each of the strategic vision components (more detailed than others). The key is the long-term financials that are linked to the key outcomes, i.e. the larger projects.	4		0					

7	Long Term	The long-term focus is lost between the City Vision and the strategic plan, although the key result areas are reflected against each activity. The problem is no time scales or priorities are attached to the key results.	3	The plan sets the direction for the next 53 to 20 years. Agenda 21 is identified as the agenda for the 21st century. The vision incorporates the long-term perspective.	3	The plan sets a focus for the next 25 years. Agenda 21. There is no attempt to build scenario's or to work Agenda 21 into outcomes or seemly the vision. 25 years of projects set out.	1	Urban form takes a front seat - all long-term scenarios are based on a preferred urban form based in the district plan. 'Choices for the future' sets out the tradeoffs over the 20 years.	5									
8	Is the resistance to change factored into the process?	Yes - early in the process Councillors and staff were work-shaped on the need to and the benefits of strategic planning and the long-term perspective.	5	Not discussed in the document, however organizational workshops were held for the staff to generate buy in or at least understanding of the vision.	2	Not discussed in the document.	1	Yes in the initial phase of the process, however the document and process has met a lot of resistance. Councillors were involved in Visioning workshops.	2			0						

9	How is the long term treated, i.e. recognition, belief, emphasis, private sector focus?	Does not attempt to predict future, looks towards building organizational competency. Conscious of staying away from predicting the future, therefore concentrated on scenario's	No private sector focus — benefits of long term vision is a "collective benefit". Importance of long term focus expressed through the mission. The belief in the mission seems strong. The mission provides a clear statement of a future providing consistency for decision making, and a focal point for conflict resolution.	The long-term focus is about minimizing financial impacts via extrapolating population growth and scheduling projects to 2015 and estimating the rates impact. No other treatment is evident.	Managing uncertainty is not identified as a big issue. Control of council's external environment? — no Aligning the organization with community aspirations of what Council should be providing - Yes. Organizational focus talks about managing Councils investment/asset more effectively, i.e. a private sector emphasis being ROI to the ratepayers.				0					
10	How is the long term and risk dealt with?	The plan talks about organizational competency as being a key tool for dealing with risk. However, the 'City Vision' scenarios do pose very vague risks associated with different futures. Emerging trends are identified and I assume that these are embodied into the goal setting process. The plan also focuses on financial risks, i.e. the need for financial expedience.	The plan seems to be geared around medium and long-term risk identified in agenda 21. The plan is attempting to build competency to deal with this risk, however it is not explicit, i.e. community initiative, staff responsiveness.	Rates smoothing/impacts, nothing else discussed.	Risk is perceived to be mainly financial, i.e. rates impacts and the need for certainty of service levels and the cost of service.				0					

1	Is organizational experience or technique drawn upon?	In 1993, a restructure formed a strategic planning and key policy development unit. This encompassed resource management, maori policy and included 14 policy people.	5	Political role is to reinforce democratic practice, which is essential to the 'Eco-city' vision. The plan is not specific on how the organization best uses its resource to achieve vision	2	Not discussed in doc	1	Yes - 1.3.5 pg10	3	0										
2	Core Competency – process for identifying core services																			
3	Is there a process for identifying core services?	Yes – 'City Vision' achieved through drivers and degree of input into strategic issues (see notes)	5	Discusses the operational and political role of Council in part one – broad brush stuff Part two contains more detailed discussions of the role of Council in each strategic action area.	2	The role of council is expressed for each of the outcomes identified in the plan. The process behind this is not stated.	3	Yes - the vision process and the strategic outcomes do focus on the role of Council.	5	0										

4	Are trade offs factored in, i.e. skills and assets, market strength, profit provision, & opportunities?	No tradeoffs dealt with except in a financial sense, i.e. funds versus needs. There is recognition that the key result areas will require the organization to develop and acquire new skills etc.	1	Very general recognition that there are tradeoffs, however these are not prominent in the document.	1	No mention	1	Tradeoffs are recognized in the vision process. More about tradeoffs in service provision rather than anything else.	4											
5	Is the organization's structure mechanistic or organic?	Mechanistic, although recognition that the strategic plan is putting pressure on the current management structure.	0	In between?	0	mechanistic	0	mechanistic	0	0									0	
6	What is the organization's learning & cognitive process i.e. structural versus behavioural? Structural with some degree of organization learning through inviting lunchtime speakers and recognition of the need for shifts in organization thinking.	4	Vision workshops are behavioural and incorporate all staff. The workshops relate the vision to the role of WCC and to a lesser extent the staff's personal role in the organization and the community.	4	Structural	1	Pg. 10 recognize that strategic plan is an effective way of utilizing organization skill.	3	0										0	

7	Is strategic change – incremental or framebreaking?	Incremental – represented in the project types, strategic planning process, and how issues are positioned and dealt with. Perceived to be putting pressure on the organization to change through existing activities, different service delivery, the process of how PNCC enters into projects, assessment of peoples skill, funding policy and generation of policy.	0	The vision is framebreaking, in that it is not an easy vision to sell given conservatism within communities, and a powerful market driven economy. It would be easier to create a vision based around the dominant doctrines. The way they achieve the vision will probably be incremental, i.e. they say gradually and over many smaller actions.	0	Incremental	0	Incremental - goal 1.2 to manage change. The difference between preferred & existing urban form seems minimal (apart from growth in the urban sector)	0								
8	How do Issues fit into the framework of the strategic plan? See 28	Key issues are identified and discussed under each activity, i.e.. areas council is involved in.	4	The vision is extremely descriptive presenting overriding issues tied to the theme of "Why should Waitakere be an Eco City". Issues and goals are introduced in the strategic action areas. Issues are one worders with no prominence or linkage in the 'vision' or 'role of council' section.	2	No key issues as such - strategies for each of the four vision areas is the closest thing to issues. They are not linked with anything.	2	The issues underpin the entire exercise. Issues are identified in the vision process; the vision forms the basis of the 28 outcome areas. Again, each outcome area has a background discussion that reiterates the issues involved. The issues are framed in the context of 4 futures, where the emphasis council places on particular issues will vary according to the blend of future components chosen.	5	0	0						

9	What are the broad issues?	Urban growth, environmental standards (Implement district plan, monitoring), education and knowledge (participatory democracy, devolution and government services, transportation.	4	Adopt agenda 21 for human survival, national and international leader for change, utilizing Waitakere's heritage & people, tackle employment, ecosystem failure, crime, healthcare. Urban pressures on land. Key focus areas indicate broad issue areas.	4	Financial implications of a number of funding scenario's. No issues as such raised - apart from strategy actions, that council would like to undertake. (4 vision area's)	1	Comprehensive!	4		0	0					
10	How are issues defined i.e. effect-organization performance, ability to change, and external environment?	Major issues that will affect the Councils activities. (Urban Growth, Environmental Standards, Education & knowledge, Devolution of government services, and Transportation.	5	Vision – workshop? Key focus areas define council involvement in issues. Focus is on impact on communities.	2	Not dealt with.	1	Some issues have been pre-determined by Council officers and are contained in all the scenarios. Issues are defined around the 3 broad outcome categories of cities people, cities environment, and cities economy. Issues are defined mainly by council and secondly within focus groups. Issue tradeoffs and prioritization are worked through in the survey process and workshops.	5		0	0					

1 Are issues linked to performance i.e. service delivery, finances, management?	No	2 In part, two issues for each focus area are linked to goals. In addition, the strategic action areas for each focus area state what the Council intends to do for 1 to 3 years. The monitoring and reporting process is not stated.	3 No	1 Not linked to performance, i.e. no performance indicators. However, issues are linked to actions and finances, i.e. the ideal outcome mix is costed in the long-term financial plan. Indicative costings are also provided in the vision process.	3	0	0								
2 Is there linkage between issues, goals and vision?	Mission statements and key result areas and goals for each activity area aligns with city vision	4 Very loosely structured - the document is more about concepts and ideas rather than a process for how the organization is to achieve these things.	3 Vision to outcomes. However, unclear how the underpinning philosophies of vision are represented in the outcomes	3 Tight framework - good linkage	5	0	0								
3 How are difficult issues framed i.e. does the strategic plan enhance the ability to do this? See variance 50	The strategic plans consultative process serves as a means of framing issues. The strategic plan steers away from being politically controversial by not framing difficult issues in terms of desirable outcomes or Councils role.	5 Issues framed in the context of eco-city (Agenda21). The vision is controversial and politically loaded and frames issues well.	5 Difficult issues are not framed; i.e. there is no linkage with vision and philosophies. Funding scenarios are the closest way that the plan gets to present issues.	1 Issues are framed around the broad outcome categories of cities people, cities environment, and cities economy. The plan is politically loaded in that it adopts a comprehensive approach to framing issues, however it excludes a key regional transport issue.	35		0								

4	What does the vision represent - a shining light, a standpoint adopted, and an image of a desired state?	It is an image of a desired state in which the community inter-acts. It is vague enough to allow flexibility in interpretation. The emphasis is on education with the community taking on board the ideas that education introduced to a personal level will benefit them and the community.	5	Standpoint being adopted on how a community should live with the vision focused more on a set of actions rather than creating a picture of a desired state. The desired state is assumed to be recognized or understood.	5	Simply the result of a SWOT analysis resulting in a set of outcomes. The outcomes are compatible with agenda 21.	3	A set of choices for the future. No underpinning philosophies are explicit, i.e. Agenda21 or RMA. Choices are based around people, environment, and the economy.	4						0			
5	Is the vision easily understood, i.e. articulated clearly?	Yes – clearly articulated	5	Very descriptive - would preclude some public due to complexity.	5	Very Simplistic.		Choice areas are clear, however the task of prioritizing and making tradeoffs is diffuse. The value of this part of the survey opens the vision setting process to scrutiny.	3							0		
6	Does it represent a tangible end product, or pursuit of less tangible goals?	Key result areas are given - both tangible (create an attractive city scape) and intangible (positive/ healthy community inter-relationships).	0	Balance - hard core results such as environmental outcomes Versus recognizing the contributions and beauty that the environment contributes to the community.	0	Balance – the outcomes are vague enough to allow flexibility in interpretation.	0	Tangible actions and outcomes.	0							0		
7	Does the vision have an external or internal perspective?	Flows from desired external outcomes to the internal role of Council.	5	Flows from desired external outcomes to the internal role of Council.	5	Unclear because it is difficult to see any connection between desired external outcomes and the desired role of Council.	1	Flows from desired external outcomes to internal the role of Council.	5							0		

8	Is there a vision sharing/process?	Initially key stakeholders were identified and briefed, i.e. "what do you think of this City Vision process; we would like you to be involved, this is how, what do you think". 90 groups were involved in 1/2-day workshops. Included general members of the public who wished to be involved Representatives were selected from groups to attend a 2-day council workshop. The process was successful because key people brought in early. 'City Vision' is becoming more transparent in decision making (Clare)	5	The vision setting process has been a top-down process. Community buy-in has been assumed to a large degree by voter mandate. Key community groups were involved in workshops to achieve further buy-in.	3	Submissions on 20/20	2	Survey with "choices for the future booklet". 12 Focus group sessions with 6 different groups. The vision exercise paints scenarios of the desired external environment, however it may be leaning towards an institutional focus. This is evident in the way NSCC are driving the process and have created the framework.	5					0		
9	Is there a qualitative shift in process?	No Qualitative Shift in key result areas. However the City Vision process is a shift from conventional process.	4	Yes - see above	3	no	1	Yes	4					0		

0	What does the vision provide, i.e. a spark, alignment, focus for achievement, long term focus, Direction?	Clearly focused on education, research, knowledge and learning, qualities and strengths.	0	Provides a particular political direction one that isn't reflected by all of the Councillors or central government policy. Has a clear long term focus centred around agenda 21	0	Consistent approach for council policy making. The beginning of a process for prioritizing issues.	0	Provides a focus for organizational action. Organization alignment with the community and political guidance for the annual plan process.	0						0	
1	Is there leadership commitment?	Mayor not involved (Deputy was).	2	Mayor & a core of alliance politicians driving	5	Mayor is a strong supporter of the strategic plan.	4	Strong support from the 2-previous Council however, the 3-current Council including the Mayor have not brought in to the strategic plan.	2						0	
2	What underpins the vision process?	Vision scenarios used. Recognition that vision achievement will be measured Tri-annually and there are different paths to achieve vision. Management expedience. Mix of political and management input.	4	Political Agenda with a buy in from the organization.	4	SWOT analysis. Management expedience with some limited degree of political buy in.	3	Survey and a booklet to the 2-public, SWOT, evaluation of scenarios, community expectations perceptions and priorities, council philosophies and priorities. Management expedience.	2	0					0	
3	Is there recognition of Councils role in achieving vision?	Yes.	5	Yes	5	Not Clear	4	Yes	5						0	

[illegible]

Appendix III Strategic Planning Initiatives – Conservative Vs Radical database

Strategic Planning Initiatives	Palmerston	Waitakere	Masterton	North Shore	1	2	3	4	5	6	7
Will strategic planning put pressure on performance criteria & evaluation?	Key performance measures are listed in for each activity in the strategic plan. The effectiveness of the measures will largely depend on, how they are reported to the senior executives, public and councillors, and the level of management commitment to improving the measures	Specific performance measures not yet formulated. General strategic action area's over next 1-3 years for each of the key focus areas in the strategic plan. These could form the basis of more specific operational performance indicators	Document recognizes the need for monitoring & evaluation of achievement of common goals. No detail yet.	Yes - due to the identification of specific actions called for in the SP.				0		0	
In a broad sense, what does the Strategic plan focus on?	Document focuses on financial scenarios – fiscal responsibility, and key result areas.	Document focuses on underpinning philosophies that will assist in providing an integrated framework upon which detailed policies and plans can fit. The document has yet to be developed in the area of identifying an appropriate organizational structure, skill sets and resources required to achieve an integrated framework.	Focus is on fiscal responsibility and asset management. Does provide underpinning philosophies for decision making. The plan does not reflect these philosophies clearly in outcome areas.	Focus is on outlining a broad program for the next 20 years based on prioritized issues (vision - developed into goals) and identifies the means for achieving vision (financial program) and some specific actions and roles for Council.	0			0			

How have the community been included in the process?	'City Vision' consultation comprised 2 of workshops with key organizations, 250 submissions received from general public, public survey of views on city future, draft 'City Vision' document circulated. (variable 58)	The Greenprint draft is principally a 3 vision document providing broad principles & actions that have been derived from political action. The document sells the vision based on Agenda 21 , RMA, T of W, & LGA. The public is being consulted through a variety of methods falling outside of past practice.	The document recognizes the 1 inclusion of the public as the corner stone of the strategic plan. Consultation has been in line with the Annual Plan process.	Yes - Questionnaire sent to all 2 residents & businesses with 8472 responses, 12 focus group meetings with 6 different groups.	0														
How does the strategic plan deal with political change?	The strategic plan & 'City Vision' are 2 up for review. Broad agreement on prioritization of the key strategic drivers. The financial driver has priority over the other drivers. The use of vision scenarios provides more flexibility within forecasting. Bottom up approach (vision a lot broader & less prescriptive than North Shore).	Recognizes that the strategic plan is for 5 5 to 20 years, providing a range not a fixed term. This recognizes by default that the agenda can change in the future. However, there is no mechanism for incorporating change. Vision is politically loaded; therefore, future change in the plan could be radical. Planning processes are not in place to cope with possible change. Top down approach.	Politicians place the Annual Plan 4 above the Strategic Plan in the hierarchy of decision making. They have the discretion to ignore the Strategic Plan. The document flags the intent to comprehensively review the Strategic Plan triennially. Top down approach	A monitoring & review feedback 4 mechanism is identified in the document. However in a practical sense if the assumptions change e.g.. the bridge is included as the major issue then the document has to be reworked (goals, actions & financials). This complex task due to the detailed nature of the plan and its many linkages with other documents, to other SP docs. How useful and how appropriate is the document to the political process - how do the politicians use it, and accept it (values, issues, the validity of a survey, the highly rational nature of the SP method)? Top down approach.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Is the strategic planning process routine in nature?	City Vision process is not routine. Linking activities to key results of vision has not been done before.	4	No, process is looking to be more inclusive of both the community and staff.	4	Yes; However the SP is looking to integrate existing programs, projects and reviews	1	No - ground breaking exercise	4	0				0	
Has strategic planning put pressure on organizational structure?	Yes! Talk of restructure due to the strategic plan(CC)	3	Not discussed in the document.	0	Not discussed in detail, however under organizational outcomes there is mention of formulating an organization development strategy that is in sync with the strategic role of council.	3	Not discussed in Doc	0				0	0	
What are the corporate impacts of strategic planning?	Is not addressed in the strategic plan, apart from loose key performance measures. The strategic plan does not isolate key organizational issues, nor does it make reference to a corporate plan	3	Is not addressed in the strategic plan, apart from loose Strategic action areas. Greenprint does not isolate key organizational issues (they are all external) nor does it make reference to a Corporate Plan	3	The role of Council is addressed impacts on what and how council goes about its business is to be further developed.	2	The Council as an organization is a strategic outcome area in the plan. It talks very generally about the need to recognize "modern human resource approaches necessary for strategic thrust, financial management and asset management". Service delivery approach and arrangements are identified as a role of council (section 12.4).	3	0			0	0	

How are linkages formulated between the strategic plan and other planning documents?	Diagrammatically, and through strategic issues identified within each activity	2	Diagram shows relationships between planning documents as being fluid, with the strategic guidelines & strategic action areas derived from the vision. These guidelines form the basis for more detailed policies and plans. Linkage is rather loose in the document.	4	Diagrammatically pg7. Relationship between the annual plan and strategic plan is defined The annual plan will shape the strategic plan over time, placing considerable significance on the annual plan. The strategic plan provides a vehicle for considering long-term issues more rigorously. However, politicians do not expect to be bound by it! Pg2	3	Diagrammatically pg12. A program of current plans and plans to be developed under the umbrella of the strategic plan is given.	3	0						0
Is there organizational commitment to strategic planning?	CEO - small corporate strategic planning management team, - small number of Councillors dissatisfied with the Annual Plan. Gradual process of Lunchtime seminars to bring staff & Councillors on board	1	Politically driven, with a small group of committed officers. CEO in middle ground - supportive yet wary of balance & organization ability to deliver.	5	Some senior councillors, the Mayor, and a small number of officers.	1	Large resource allocation - strong buy in from previous council. CEO gave qualified support.	3	0		0	0			
Role of the CEO – Organization's Initiation to strategic planning	CEO championed strategic planning. Identified the need for a long term outlook and consideration of the bigger picture. Set up a strategic planning unit based around the CEO's office.	2	Not a strong role has freed resource for the initiative.	1	CEO- limited	1	CEO limited	1					0		

Is the strategic problem of, uncertainty & business fit with External environment acknowledged?	Yes (7/10)- check for the role/ issue linkage.	3	Not explicit (3/10) Check for role - issue linkage Good linkage between the role of Council and issues, however detail is light.	2	Not explicit, however the strategic plan talks about assigning priority to issues and co-ordinating activities thereby reducing risk of unnecessary expenditure. Pg12 They associate Council role with outcomes, however the outcomes are not associated robustly too specific issues. 4/10	2	The external environment is factored in via the SWOT analysis (i.e. part of the vision process). The vision ties in well with the outcomes required including the future role of council. However, the strategic plan only deals with uncertainty through the identification of threats in the SWOT analysis. Uncertainty is not dealt with through organizational responsiveness.(6/10)	3						0	0				
Are Goals defined?	Yes - at an activity level	2	Yes - for each key focus area	2	No goals - however there are strategic outcomes that are prioritized and the role of Council in achieving the outcomes is identified. The outcomes are not linked in the plan to operational activities.	2	Yes - Strategic Outcomes.	2	0	0									

Form and content of the plan.	The city vision is a distinct process. The strategic plan is a well-structured document that has developed linkages. The document uses brief discussion notes throughout, and prompts the reader to think about the document content. Well formatted.	2	Greenprint consists of two sections; the first is vision & how vision shapes, the role of council, policy-making criteria, operational principles, alliances, and change strategy. The second section consists of, the key focus areas of community, city form & design, Taonga health and safety, transport and communications, energy resources and waste, and economic development. Document tends to be paternalistic (this is how its going to be) and tells a story. The document is not well linked nor formatted. Seems to have been put together in a hurry.	2	The strategic plan (Toward Twenty-Twenty) incorporates vision and the framework within one document. The development of vision is diffuse with Agenda 21 referred as the fundamental underpinning philosophy. The link between the district vision and agenda 21 is not clear. The components of vision (People, environment, Council, and Organization) provide the headings for the outcomes that the organization is seeking to achieve. The outcomes are prioritized and associated with council's role. The document is fundamentally a vision document that also provides some of the basic elements for a strategic framework.	2	Directions 1995-2015 Incorporates vision & strategy in one document. The document is comprehensive compared to other case studies. It is broken in 4 phases, where are we now (i.e. SWOT – includes situational analysis, values & mandates), where would we like to be (i.e. scenario, priority building achieved through the vision process), what issues do we need to address (i.e. goal outcomes areas), what action must we take to get there (i.e. strategic actions, development of plans, identification of resource allocations)? The goals/actions are ordered under the 4 components of vision, i.e. compared to listing outcomes under key council activities. This makes the document more difficult to interpret from an operational perspective.	2	0	0
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Are the means for achieving the vision identified?	Yes - 13 draft rules for achieving vision. These make up the strategic drivers for the next 10 years, (i.e. 'How we will get there') Also a section on financial strategy, principles & model.	2	Yes – in terms of the 7 Key focus areas and overriding strategic guidelines. The change strategy identifies the need for a long-term financial plan and asset management plans. No in terms of the operational and financial links are not yet developed.	3	Financial schedule of strategic projects is not linked to the strategic outcomes. However the means of achieving the strategic outcomes have yet to be developed through more detailed strategic and asset management plans. The 4 components of vision list strategies for attaining outcomes, i.e.. future policy & plan development.	2	Vision is achieved through the 4 'key element areas'. The long term financial plan is developed, however linkage/commitment between the actions & financials are unclear.	2	0	0						
Is there a separation of means and ends?	Yes - very distinct ends in the Vision.	2	The means are still to be developed, the ends are clear.	2	Outcomes are diffuse, means to be developed.	2	Yes- Key policy questions – objectives – actions (These link to the long term financials).	2	0	0						
Does the strategic plan scope the organization activities?	Yes – 18 activity areas identified as being required by Council to play a role in achieving the City Vision.	2	Not directly, but through 7 key focus areas derived from the mission & linked to the role of Council.	2	No	0	Not directly - but through the 4 vision key elements. The actions scope the role of Council, along with service delivery clarification (i.e. Councils role) for each key sub element.	2	0	0						

Are the goals for each activity matched to resources in the strategic plan?	Yes there is a loose link via the 10-Year financial model. However activity prioritization is non-existent, and organizational resource levels e.g. staff skills, support activities are not discussed.	2	The need for a long-term financial plan is identified. Activity prioritization is non-existent, along with organizational resource levels e.g. staff skills , support activities non existent	3	No	2	Not directly - however 'objectives and actions' (loosely associated with activity areas) have been costed & included in the financials.	2	0	0						
Does the strategic plan allocate resource?	Yes - however not explicit	2	No - to be developed	3	Schedule of Key projects	2	Yes – Strategic plan translates to annual budget.	2	0	0						
Are values and expectations explicit?	Performance measures, and Key result areas, Drivers	2	Key focus areas, drivers	4	Agenda 21 = principle values, not clearly reflected in Outcomes = expectations.	2	Values expressed through surveys – moving judgement away from politicians (apart from political involvement in the focus groups that confirmed the findings in the survey). Community expectations were dealt with in phase two where community expectations, perceptions and priorities were assessed.	2					0			
Is a long-term direction specified?	The long term financial plan is based on project identification and not based on issue identification and issue prioritization.	2	The issues are covered in introductions & charts for each key focus area, and the long-term goals seemed to be based on a more comprehensive section on the role of council within each key focus area. Council's role is based of primarily on the vision.	4	The 20/20 document 'provides the basis' of the long-term focus, being 25 years. No specifics on timeframes for outcomes. More specific on rates requirements and strategic projects.	2	'Directions' covers the next 20 years. No specifics on timeframes for outcomes. More specific on rates requirements and broad capital and operational expenditures.	2	0			0				

Are Organizational implications discussed?	No - not discussed	3	No - not discussed	3	The strategic plan touches on organizational outcomes as one of the 4 vision outcome areas, albeit very general. However, the formulation of an organizational development strategy to match Council's strategic role is flagged (pg23).	3	The council as an organization is identified as a key element, comprising of strategic outcome areas. It covers democratic process, treaty issues, human resources, service delivery approach, financial management, and asset management.	3	0						0	
Managing organizational change (Planned v Emergent).	No - not discussed. However, the definition in the plan leans towards a balanced approach, planning where possible and relying on organizational responsiveness for unplanned events.	2	No - not discussed - change strategy talks about long term financial plan and asset management plans.	3	No - not discussed. However, the plan notes the requirement of a corporate structure, which enables innovative and quick response to legislative change.)	2	No - not discussed however, the plan is leaning towards a planned approach. Goal 1.2 - manage change over the next 20 years. I am unsure that the strategic plan truly addresses this goal. The entire plan is more about setting a prioritized program.	2	0	0						
A Rational or Non Rational Process?	Leaning to rational	2	Leaning towards Non-rational	3-4	Rational	2	Rational Process - the prioritization of the key outcome areas through survey (focus groups - more subjective).	1	0							

Comprehensive or issue driven plan?	Leaning towards comprehensive in that the process has many drivers including issues for justifying the long-term financial plan. Issues are not linked in well with; the long-term capital program, and the goals of each council activity. The issues are not dealt with using a resolution focus, i.e. issues – goals – actions. This would facilitate a link with 'vision achievement'. Only 2 of the 13 strategic drivers link with the strategic issues	The plan is largely issue driven.	4	Balance - issues are in the background, and the prioritization of long term expenditure is evident.	3	Issue driven – backed by comprehensive methodology	3-4	0											
Does the plan provide a framework?	Yes, and the plan states for the following reasons; for identifying key result areas and linking to Council activities, for politically justifying the financial plan, for identifying the decision making criteria implicit in project selection (although unclear), identifying the relationship between the planning processes (i.e. SP, DP, AP, other plans, feedback)	Yes, but very loose at this stage, i.e. poor linkage throughout the plan. Document needs tightening up. Provides politicians with broad decision making criteria. Framework is very loose to be of use to the organization. There is a need for, resourcing issues to be addressed, a definition of projects and a linkage of those projects to strategic goals.	4	Yes - for community commitment to a strategic project program. However, the framework does not link vision through to outcomes. The framework does link outcomes to priorities and role.	3	Yes - very tight/ detailed framework, which provides justification for the 28 outcome areas. The framework moves from the present to a preferred future via the vision process. Then addresses the issues that arise and the actions required to achieve the identified outcomes.	1	0	0										

How are timeframes dealt with, i.e. reconciling short and long term?	The plan indirectly links the short and long term by discussing short term strategic initiatives along side medium to long-term goals. Current activity expenditure profiles are also nestled with these goals.	2	It does talk about current action and year 1 to year 3 actions.	3	Not discussed – however mentions inter-generation equity in terms of 25yrs is an appropriate timeframe.	2	Not addressed in the outcome areas, however the plan has a strong financial section that links to annual budget. The visioning process also highlighted to participants the short-term financial implications of medium to long-term goals.	2	0	0	0	0	0	0	0
Are goals linked to actions?	Yes but not in a robust manner – operational resource is not discussed, i.e. no internal resource issues versus external issues. The long term financial plan may link activities to dollars, however prioritization is unclear.	2	Not a clear linkage - not sure what goals are being achieved by specific actions. The plan is not robust in that operational resource is not discussed, i.e. no internal resource issues versus external issues. Prioritization of the goals is not given.	2	No - the schedule of projects is not linked to the outcomes/ goals (i.e. no attempt).	2	The goals/ actions are ordered under the 4 components of vision, compared to listing outcomes under key council activities. This makes the document more difficult to interpret from an operational perspective. Loose association of outcome areas with activities (managers are accountable for vision areas)	2	0	0					
What underpins the framework	Direction of the external environment (city) was ascertained through the 'City Vision' process. This allowed the Council to develop the strategic plan based on confirming its role and actions required to fulfill this role with more focus & discipline.	3	The framework is underpinned by the vision which is Agenda 21 driven and Council's key role in achieving that vision.	4	Agenda 21 is identified as providing a useful framework for the development of long term objectives. See diagram pg4 MDC strategic plan. Council's role in achieving the vision is central to the plan.	2	The framework is underpinned by the 'Choices for the future' / survey process. This is the archilles heel of the entire strategic plan focusing on the longer term, core role of Council, managing change from a financial perspective. See method and diagram pg108 thesis.	2	0						

Is the strategy emergent, i.e. seize opportunities, uncertainty, change? See 26	The plan is vague enough to allow the organization or individuals to follow through on opportunities.	3	The green plan is more emergent, in that it does offer and accepts other possible strategies for the City, i.e. pg15 "recognition that eco-city will be a gradual process, involving many small initiatives".	5	Incremental program — project schedule, - there is no development upon philosophies of agenda 21 and any changes required in council or community approach to issues. Conservative community.	1	Some latitude for movement mainly via the annual plan process, i.e. the outcome to financial link is open to interpretation.	2			0						
Is the strategy deliberate, i.e. controlled, instructive?	Instructive through financial commitment.	1	Hard to tell because the detail not developed on resource coordination, i.e. asset plans, long term financial plan, prioritization of projects linked to the annual plan process not evident. Not sure if and how they are building flexibility into the annual plan and long term program.	3	Hard to tell because the detail is not developed on rescue co-ordination, i.e. asset plans and long term financial plan. However, seems to be deliberate in terms of the project schedule? Other than this, everything else is rather vague.	2	Leaning more towards a deliberate strategy.	2			0						
How prescriptive is the plan?	Politically prescriptive - it guides politicians on expenditure decisions e.g. the big wish list. Less prescriptive to the organization about the means. The vision is balanced with some prescriptive elements (this is what you should do) & the very general	2	Prescriptive to the degree of providing strategic action areas for 1-3yrs. Vision is prescriptive— spells out the things that need to happen thereby defining a particular path. Seemingly, only one path to achieve the vision?	3	Prescriptive in terms of prioritizing the outcomes in each of the strategic vision components (although very general).	3	Prescriptive in terms of prioritizing the outcomes in each of the strategic vision components (more detailed than others). The key is the long-term financials that are linked to the key outcomes, i.e. the larger projects.	2			0						

Long Term	The long term focus is lost between the City Vision and the strategic plan, even though the key result areas are reflected against each activity. The problem is no time scales or priorities are attached to the key results.	0	The plan sets the direction for the next 50 to 20 years. Agenda 21 is identified as the agenda for the 21st century. The vision incorporates the long-term perspective.	50	The plan sets a focus for the next 25 years. Agenda 21. There is no attempt to build scenario's or to work Agenda 21 into outcomes or seemly the vision. 25 years of projects set out.	250	Urban form takes a front seat - all long-term scenarios are based on a preferred urban form based in the district plan. 'Choices for the future' sets out the tradeoffs over the 20 years.	0											
Is the resistance to change factored into the process?	Yes - early in the process Councillors and staff went to a workshop on the need to and the benefits of strategic planning and the long-term perspective.	3	Not discussed in the document, however organizational workshops were held for the staff to generate buy in or at least understanding of the vision.	4	Not discussed in the document.	1	Yes in the initial phase of the process, however the document and process has met a lot of resistance. Councillors were involved in Visioning workshops.	3		0									
How is the long term treated, i.e. recognition, belief, emphasis, private sector focus?	Does not attempt to predict future, looks towards building organizational competency. Conscious of staying away from predicting the future, therefore concentrated on scenario's	4	No private sector focus – benefits of long term vision is a "collective benefit". Importance of long term focus expressed through the mission. The belief in the mission seems strong. The mission provides a clear statement of a future providing consistency for decision making, and a focal point for conflict resolution.	1	The long-term focus is about minimizing financial impacts via extrapolating population growth and scheduling projects to 2015 and estimating the rates impact. No other treatment is evident.	1	Managing uncertainty is not identified as a big issue. Control of council's external environment? – no Aligning the organization with community aspirations of what Council should be providing - Yes. Organizational focus talks about managing Councils investment/asset more effectively, i.e. a private sector emphasis being ROI to the ratepayers.	2		0									

How is the long term and risk dealt with?	The plan talks about organizational competency as being a key tool for dealing with risk. However, the 'City Vision' scenarios do pose very vague risks associated with different futures. Emerging trends are identified and I assume that these are embodied into the goal setting process. The plan also focuses on financial risks, i.e. the need for financial expedience.	4	The plan seems to be geared around medium and long-term risk identified in agenda 21. The plan is attempting to build competency to deal with this risk, however it is not explicit, i.e. community initiative, staff responsiveness.	4	Rates smoothing/impacts, nothing else discussed.	2	Risk is perceived to be mainly financial, i.e. rates impacts and the need for certainty of service levels and the cost of service.	2			0						
Is organizational experience or technique drawn upon?	In 1993, a restructure formed a strategic planning and key policy development unit. This encompassed resource management, maori policy and included 14 policy people.	4	Political role is to reinforce democratic practice, which is essential to the 'Eco-city' vision. The plan is not specific on how the organization best uses its resource to achieve vision	3	Not discussed in doc	1	Yes - 1.3.5 pg10	2	0								
Core Competency – process for identifying core services																	

Is there a process for identifying core services?	Yes – 'City Vision' achieved through drivers and degree of input into strategic issues (see notes)	2	Discusses the operational and political role of Council in part one – broad brush stuff Part two contains more detailed discussions of the role of Council in each strategic action area.	4	The role of council is expressed for each of the outcomes identified in the plan. The process behind this is not stated.	3	Yes - the vision process and the strategic outcomes do focus on the role of Council.	2						0				
Are trade offs factored in, i.e. skills and assets, market strength, profit provision, & opportunities?	No tradeoffs dealt with except in a financial sense, i.e. funds versus needs. There is recognition that the key result areas will require the organization to develop and acquire new skills etc.	0	Very general recognition that there are tradeoffs, however these are not prominent in the document.	0	No mention	0	Tradeoffs are recognized in the vision process. More about tradeoffs in service provision rather than anything else.	0										
Is the organization's structure mechanistic or organic?	Mechanistic, although recognition that the strategic plan is putting pressure on the current management structure.	3	In between?	3	mechanistic	1	mechanistic	1	0							0		
What is the organization's learning & cognitive process i.e. structural versus behavioural?	Structural with some degree of organization learning through inviting lunchtime speakers and recognition of the need for shifts in organization thinking.	3	Vision workshops are behavioural and incorporate all staff. The workshops relate the vision to the role of WCC and to a lesser extent the staff's personal role in the organization and the community.	3	Structural	1	Pg. 10 recognize that strategic plan is an effective way of using organization skill.	2	0							0		

Is strategic change – incremental or framebreaking?	Incremental – represented in the project types, strategic planning process, and how issues are positioned and dealt with. Perceived to be putting pressure on the organization to change through; existing activities, different service delivery, the process of how PNCC enters into projects, assessment of peoples skill, funding policy and generation of policy.	2	The vision is framebreaking, in that it is not an easy vision to sell given conservatism within communities, and a powerful market driven economy. It would be easier to create a vision based around the dominant doctrines. The way they achieve the vision will probably be incremental, i.e. they say gradually and over many smaller actions.	2	Incremental	2	Incremental - goal 1.2 to manage change. The difference between preferred & existing urban form seems minimal (apart from growth in the urban sector)			0					
How do Issues fit into the framework of the strategic plan? See 28	Key issues are identified and discussed under each activity, i.e.. areas council is involved in.	2	The vision is extremely descriptive presenting overriding issues tied to the theme of "Why should Waitakere be an Eco City". Issues and goals are introduced in the strategic action areas. Issues are one worders with no prominence or linkage in the 'vision' or 'role of council' section.	4	No key issues as such - strategies for each of the 4-vision area's are the closest thing to issues. They are not linked with anything.	2	The issues underpin the entire exercise. Issues are identified in the vision process; the vision forms the basis of the 28 outcome areas. Again, each outcome area has a background discussion that reiterates the issues involved. The issues are framed in the context of 4 futures, where the emphasis council places on particular issues will vary according to the blend of future components chosen.	3		0	0				

What are the broad issues?	Urban growth, environmental standards (Implement district plan, monitoring), education and knowledge (participatory democracy, devolution and government services, transportation.	3	Adopt agenda 21 for human survival, national and international leader for change, utilizing Waitakere's heritage & people, tackle employment, ecosystem failure, crime, healthcare. Urban pressures on land. Key focus areas indicate broad issue areas.	4	Financial implications of a number of funding scenario's. No issues as such raised - apart from strategy actions, that council would like to undertake. (4 vision area's)	1	Comprehensive!	3	0	0						
How are issues defined i.e. effect-organization performance, adapt to change, external environment?	Major issues that will affect the Councils activities. (Urban Growth, Environmental Standards, Education & knowledge, Devolution of government services, and Transportation.	3	Vision – workshop? Key focus areas define council's involvement in issues. Focus is on impact on communities.	4	Not dealt with.	1	Some issues have been pre-determined by Council officers and are contained in all the scenarios. Issues are defined around the 3 broad outcome categories of cities people, cities environment, and cities economy. Issues are defined mainly by council and secondly within focus groups. Issue tradeoffs and prioritization are worked through in the survey process and workshops.	3	0	0						
Are issues linked to performance i.e. service delivery, finances, management?	No	2	In part, two issues for each focus area are linked to goals. In addition, the strategic action areas for each focus area state what the Council intends to do for 1 to 3 years. The monitoring and reporting process is not stated.	2	No	2	Not linked to performance, i.e. no performance indicators. However, issues are linked to actions and finances, i.e. the ideal outcome mix is costed in the long-term financial plan. Indicative costings are also provided in the vision process.	3	0	0						

Is there linkage between issues, goals and vision?	Mission statements and key result areas and goals for each activity area aligns with city vision	1	Very loosely structured - the document is more about concepts and ideas rather than a process for how the organization is to achieve these things.	4	Vision to outcomes. However, unclear how the underpinning philosophies of vision are represented in the outcomes	4	Tight framework - good linkage	1	0	0						
How are difficult issues framed i.e. does the strategic plan enhance the ability to do this? <small>See var 50</small>	The strategic plans consultative process serves as a means of framing issues. The strategic plan steers away from being politically controversial by not framing difficult issues in terms of desirable outcomes or Councils role.	2	Issues framed in the context of eco-city (Agenda21). The vision is controversial and politically loaded and frames issues well.	4	Difficult issues are not framed; i.e. there is no linkage with vision and philosophies. Funding scenarios are the closet way the plan gets to present issues.	1	Issues are framed around the broad outcome categories of cities people, cities environment, and cities economy. The plan is politically loaded in that it adopts a comprehensive approach to framing issues, however it excludes a key regional transport issue.	34			0					
What does the vision represent - a shining light, a standpoint adopted, an image of a desired state?	It is an image of a desired state in which the community inter-acts. It is vague enough to allow flexibility in interpretation. The emphasis is on education with the community taking on board the ideas that education introduced to a personal level will benefit them and the community.	3	Standpoint being adopted on how a community should live with the vision focused more on a set of actions rather than creating a picture of a desired state. The desired state is assumed to be recognized or understood.	3	Simply the result of a SWOT analysis resulting in a set of outcomes. The outcomes are compatible with agenda 21.	1	A set of choices for the future. No underpinning philosophies are explicit, i.e. Agenda21 or RMA. Choices are based around people, environment, and the economy.	2				0				
Is the vision easily understood, i.e. articulated clearly?	Yes – clearly articulated	3	Very descriptive - would preclude some public due to complexity.	2	Very Simplistic.	1	Choice areas are clear, however the task of prioritizing and making tradeoffs is diffuse. The value of this part of the survey opens the vision setting process to scrutiny.	1-2				0				

Does it represent a tangible end product, or pursuit of less tangible goals?	Key result areas are given - both tangible (create an attractive cityscape) and intangible (positive/healthy community inter-relationships).	3	Balance - hard core results such as environmental outcomes Versus recognizing the contributions and beauty that the environment contributes to the community.	3	Balance – the outcomes are vague enough to allow flexibility in interpretation.	3	Tangible actions and outcomes.	3						0		
Does the vision have an external or internal perspective?	Flows from desired external outcomes to the internal role of Council.	1	Flows from desired external outcomes to the internal role of Council.	1	Unclear because it is difficult to see any connection between desired external outcomes and the desired role of Council.	1	Flows from desired external outcomes to internal the role of Council.	1						0		
Is there a vision sharing/process?	Initially key stakeholders were identified and briefed, i.e. "what do you think of this City Vision process; we would like you to be involved, this is how, what do you think". 90 groups were involved in 1/2-day workshops. Included general members of the public who wished to be involved Representatives were selected from groups to attend a 2-day council workshop. The process was successful because key people brought in early. 'City Vision' is becoming more transparent in decision making (Clare)	1	The vision setting process has been a top down process. Community buy-in has been assumed to a large degree by voter mandate. Key community groups were involved in workshops to achieve further buy-in.	3	Submissions on 20/20	3	Survey with "choices for the future booklet". 12 Focus group sessions with 6 different groups. The vision exercise paints scenarios of the desired external environment, however it may be leaning towards an institutional focus. This is evident in the way NSCC are driving the process and have created the framework.	3						0		

Appendix IV Adaptations of the Private Sector Model database

Adaptation Variables	PNCC	Waitakere	Masterton	Nth Shore
1 Is the interface between politicians and management recognized in the strategic plan?	It is not recognized explicitly in the document – however the process has identified the requirement for political involvement and buy-in.	The plan broadly acknowledges the respective operational role and political role of council by providing a scenario – pg16. In addition the plan contains policy making and priority setting criteria pg22, and guiding operational principles pg. 23. While these are not definitive about the dual roles, they reinforce the notion that the plan is moving in this direction.	It is not recognized explicitly in the document – however the process has identified the requirement for political involvement and buy-in. Council's role discussed in the plan at a generic level pg13.	The plan explicitly identifies the goals of political representation and leadership pg. 184. Issues of interface are not explicitly dealt with in the plan, however the process was initiated by the politicians, designed by the officers, largely implemented by the officers with political input. The interface is informal. A different politician with a different agenda has exposed the consequences of an informal interface. E.g. who decides on the process of strategic planning
2 Are strategic planning performance measures being developed?	Nothing formalized – although the necessity for political involvement & accountability recognized. The plan has performance measures struck at an operational level.	No – however the 'policy making and priority setting criteria' suggest a general move in this direction.	no	Nothing formalized

3	Are risks of policy direction identified in the plans?	No The plan has prioritized a capital development program	2	No Does very broadly discuss the risks of not following the vision!	1	No Plan does assign general priority to issues.	2	No – however the long term financial programs do identify future financial positions. Discussion on preferred urban form has also raises risk issues – however they are not clearly identified. The process has prioritized issues	3
4	Are community/customer risks linked to organizational goals	No	1	No	1	No	1	No	1
5	Do the plans specifically identify issues that are too complex and difficult to plan for?	Yes pg. 8 – however they are not clearly linked to strategic goals or key city result areas.	2	Yes – offers no immediate quick fix – offers a range of current actions that combined over a period time to move the community closer to the vision.	2	No		Yes – the issue of Urban growth is explored. This issue is tied into the plan strategies. However, other issues such as the traffic/transportation problems are ignored. In-coming council used this as one of the main issues to undermine the strategic plan	3
6	Do officers perceive strategic planning putting pressure on organization structure?	Yes – occurring	3	Yes – occurring	3	Yes	1	Yes – occurred	3

7	Do the plans acknowledge any relationship between internal process and external environment	No	1	No	1	Pg. 12 The plan is not an inflexible planning tool, rather it is responsive to change...the strategy will undergo comprehensive review in the term of each new council' No defined process as such.	2	Yes – the councils defines a process of review pg. 18. Exact mechanisms of reviewing strategy not specified	2
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8	Are strategic application problems acknowledged	<p>Visioning process very intensive – difficult to identify and prioritize a wide range of issues with a diverse and diffuse group of people.</p> <p>Difficult to translate vision into operational actions. Funding prioritization process problematic.</p> <p>Difficult to get comprehensive political and organization buy-in. Has been mostly achieved with organization via senior management commitment. Difficulty exists in educating and gaining trust of the elected members re the use of Strategic planning, as a guide to decision making.</p> <p>Building in flexibility into the planning process – changing agendas</p> <p>Managing political and community expectations through the visioning and operation of the strategic plan difficult.</p>	3	<p>Some community and political resistance to the vision.</p> <p>Uncertain level of commitment from CEO due to political & community resistance.</p>	3	<p>Tying a diffuse vision to the organization mission and its operational actions.</p> <p>Political influence in strategic decision making process problematic where some councilors understanding of issues and strategic process is questionable – officer pg. 2.</p>	2	<p>Buy-in from politicians problematic – due to complex plan – flexibility of the planning process is questionable</p>	2
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9	Are political constraints acknowledged by officers?	Yes – inclusive – flexible However officer notes following concerns, "...The archilles heel of the Strategic plan is the political time horizon potentially conflicting with a longer term perspective 'the triennial cycle of elections is a problem especially where agenda's are strong – there's a tension between the longer term view and the political cycle"	No – plan driven politically	Yes – inclusive & flexible	Yes – however political flexibility not easily achieved given prescriptive nature of the plan?
10	Are political timeframes acknowledged in the plans?	Yes	No	No	Yes
11	Are politicians an integral part of developing the strategic plan?	Yes –highly inclusive process – perhaps driven more by officers.	Yes – politically driven – officers creating the framework	Yes – inclusive process (less driven by officers, less workshops than Palmerston North City Council)	Yes – Politically requested – officer driven
12	Has the Vision process been inclusive beyond a representative demos level?	Yes	Yes	Yes	Yes

13	Does the visioning process attempt to translate operationally?	5	Yes	3	No	2	Yes	5
14	Is corporate/human resource planning linked to the SP?	3	No – but is currently being discussed by officers for future inclusion in the Strategic process	3	No - but is recognized by officers in future development of the process	1	Yes – was discussed in the current process but deliberately separated.	

Appendix V Perceived Role of Strategic Planning database

	Palmerston	Waitakere	Masterton	North Shore
1 Who primarily uses the strategic planning document?	<p>5 Page 3 of the document expresses 33 6 groups that should use the document.</p> <ul style="list-style-type: none"> • The community – via buying into the vision of the type of City wanted. • The Council in terms of its role in assisting to achieve the vision. • The business and organisations in terms their business planning. <p>Politicians acknowledge the issues raised in the document provide a level of guidance to decision making. The Councillors role in assisting the community and business achieve the vision was not explored</p>	<p>3 Used by both traditions Symes pg75 "Started out as a political vision ...gradually people within the organization came to an awareness that it had real meaning to their jobs".</p> <p>Stone Pg6 – 'essential from corporate perspective & essential for governance.</p>	<p>5 Tends towards both traditions Officer, "gives the Council some rationale basis on which to advance or retract community initiatives"</p> <p>Mayor, " limited as a governance tool, more an administrative tool pg5"</p> <p>"Community feel comfortable about Council's direction especially in terms of competence in major projects.</p> <p>Councillor – a little uncertain</p>	<p>3 Initially was developed for both 5 Councillors & Officers. The new Council elect will not adopt. There is a lack of political commitment. However, certain Councillors do recognize the impact on decision making discretion and seek to annul the plan or at least make it less prescriptive councillor pg2, ". It seemed to me and my colleagues that if you adopted the plan you were saying OK to everything in it...we didn't want to say OK...we wanted to say this is the general picture".</p>

2	How have the politicians been involved in the strategic planning process?	1 Officer initiated with politicians invited & immersed in process. Buy in from all politicians suspect. Politicians invited to hear speakers, involved with formulating the process, endorsed process. 3 intensive workshops – neutral setting & facilitator. Management perspective did win out in key votes (Brown p10). Small number of politicians pushing for strategic planning – CEO strong advocate.	4 Yes – initiated politically (by an alliance block of councillors) with officers coming on board providing support and meat to the bones e.g. agenda 21.	5 Some senior Councillors and the Mayor recognized the need – requested officers to produce draft. From that point officer driven. Officer – 'I guess the officers are reading the direction of council to a degree – as we draft the plan we've got a fair handle on how they're going to look at the issues.	3 Yes – previous council elect more of a partnership – SP was the product of that relationship. The SP was officer driven relationship. However, this has changed since election with a loss of buy-in – there is a lot of resistance due to a changing political agenda i.e.. Devolution
3	Is the plan's sense of purpose community or organizationally focused, or both?	1 Both – City Vision (community & organizationally derived) has been translated into organizational goals. Although the vision is a little hard to grab. However mixed messages regarding where PCC derives its sense of purpose – Officers look to community – Councillors look too the past (historical precedence and legislation)	3 Both – beginning to translate vision into organizational goals. Vision is clear enough to be translated into operations	5 Leaning towards an organizational focus. Weak visioning process – emphasis on gaining mandate for organizational decision making.	2 Both, however the vision process is arguably flawed in that it relies less on educative debate and more on individual's assessment of the big picture. Although NSCC officers & politicians gained a clear decision making mandate, it left questions over the rigour involved in deriving the vision and the manipulation of the process by officers. In addition, the visioning process did not put as much pressure on political process in terms of the councillors' role in identifying & prioritizing the issues. Major pg3 'I don't think the strategic planning process will find out what the majority of citizens want...political gut is the thing that determines that finally' Suggests surveys are flawed.

<p>4 Does the strategic plan and process assist with setting policy?</p> <p>◇ Clarify future direction</p> <p>◇ Prioritize issues</p> <p>◇ Linked to funding decisions</p> <p>◇ Link to DP</p>	<p>3 Yes it does – in terms of specific projects 4 that are likely to proceed and the cities key 5 result areas that these projects contribute towards achieving.</p> <p>Officer quote re pre Strategic planning . 'Given the vague role of Council it was pretty hard to plan strategically' clare p2</p> <p>Councillors seem unsure about their policy-making role. On one hand, there is a perception that everybody must take regard of the strategic plan, and on the other hand, political decision-making discretion is not radically affected.</p> <p>Officers suggest vision was essential for achieving agreement on a direction for the city. Officer pg3, 'Vision underpins the strategic plan for the role of Council' 'The role of Council is a key influence in policy setting. Creates a focus on direction how best to achieve it for the Council & community' pg7.</p> <p>The strategic process assists with policy setting because of the focus on consultation. Getting agreement and understanding as a basis for current and future policy positions.</p> <p>Politicians are becoming increasingly aware of a sense of priority of issues identified in the strategic plan. Less likelihood of the Annual Plan process being hijacked by pressure groups with marginal projects. Councillor pg7 'expect decisions on DP submissions will be influenced by SP'</p>	<p>3 Mission Statement – Dynamic, Just,3 sustainable – process of relating to everyday organizational activity. Politician pg2 'can't be hypocritical about what you do'</p> <p>Politician on decision making boundaries since strategic planning process, pg7 its now taken as read that if your putting an issue together politicians, officers and the community are involved'. 'The expectation is that the role of the politician moves away from day to day stuff into policy setting ...setting priorities, more equitable and fair with resource allocation' Very strong emphasis on facilitation and little or no emphasis on benefits of strategic planning.</p> <p>Officer pg2 ' we have focussed on issues that are of concern to the community and we the organization place them into a coherent framework...placing them into the big picture'</p> <p>Strong agreement that strategic plan provides rigour in the assessment of services council is providing ...ensuring consistency with strategic direction'</p>	<p>3 Officer pg4, 'imagine that with a strategic plan in place it would be easier to prepare the annual plan achieve these annual objectives as per the strategic plan and not get hijacked by political knee-jerk reaction to the same degree as might have occurred previously' On issues raised ad hoc pg6 gives the council a rational basis on which to advance or retract public initiatives.</p> <p>DP process preceded the strategic plan. Archived submissions were feed back into the SP consultative process (officer pg5).</p>	<p>Officers – yes – <i>identify cause & effect relationships ...this is how they will be effected in policy. Standing committees use sections of the SP for guidance.</i></p> <p>However, the problem of defining decision-making boundaries is only highlighted by Strategic planning. <i>There is tension over who is making the decisions.</i></p> <p>Councillors - Yes - although only a broad guide to the AP process. <i>Forecasting tool to assess future rate affects.</i></p> <p>Officer – the SP should have influenced decisions made in the District Plan. In practice the organization linkage wasn't sufficient'</p>
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5 Does the strategic plan specifically advocate a political reaction (Hambleton pg62)?	<p>1 Politicians – not mentioned. Officer, 3 2 mention is made of looking for better 3 ways to provide the right level of 4 service and performance mechanisms. What is emphasized is the CE's view of a strong policy led outcome driven organization.</p> <p>Overall the corporate is driving the political arm into looking at how it interacts with its community and the basis for its decision-making. Few councillors if any understand or endorse the use of a strategic planning and process to strengthen either or both democratic process and market mechanism's.</p>	<p>3 Yes – devolution of decision making 4 – improving democratic processes. Not all councillors have brought in!</p> <p>Pg. 17-18 'Greenprint', discusses the role of the Councillors. It advocates a wide role for Councillors e.g.. foster democratic processes (dialogue, forum, debate), provide political leadership (vision), define public good, Strengthen communities (devolve decision-making).</p>	4 No	<p>1 Mix of both – however complicated by 3 new council wanting to devolve budgetary decision making discretion to community boards (who in turn could possibly act like mini council elects i.e.. Decision making potentially removed or not reflecting wider communities of interest – and/or quality of political debate decreases)</p> <p>The survey approach to defining priorities perhaps mimics market mechanisms.</p>
6 Does the strategic plan advocate the devolvment of power and or function?	<p>1 No – this was discussed in officer 1 2 /politician strategic workshop and was 3 dropped from the consultative agenda.</p>	<p>1 Yes – agenda 21 underpins the 3 strategic plan.</p> <p>Consultation seems targeted at communities finding solutions</p>	2 While agenda 21 is presented at the front of the plan – no clarity exists regarding how council will help achieve a nurturing community.	<p>1 The plan does not focus on issues of 1 democratic process or decision making process.</p>

<p>7 Has the strategic process altered consultative process? (i.e. strengthened, weakened, evaluative, participative, no change)</p>	<p>2 Yes, for both Councillors and officers. 3 However on-going link with community not emphasized and political buy-in to enhancing participation poor.</p> <p>The process was more inclusive, and intensive – 90 groups 1/2-day workshops. Process agreed to by groups before initiating. Ownership of workshops sat with participants – council role was to facilitate and draw ideas from groups. Officer pg6 'council is trying to develop upon traditional forms of community participation'</p> <p>Although the process is one off a degree of benefit accrues to councillors who buy-in to the outcomes – this appears only partial.</p> <p>Officers seem to be using the SP to focus organizational efforts on ratepayer requirements. However, the degree to which the corporate entity can tune the role of council to ratepayer requirements depends on the dynamics of policy setting i.e. who pulls the strings. Comments from Councillors suggest the Chief Executive have a strong grip on policy setting.</p>	<p>2 Officer pg3, 'we have tried to be more educative in our process – not assuming that people have the knowledge or have thought through the issues well enough for council to start taking up the directions' pg5 'I think we have tried to create a more on-going dialogue since strategic planning'</p>	<p>5 No – traditional submission process – some workshops</p> <p>On-going link with community not emphasized and political buy-in to enhancing participation poor.</p>	<p>1 Yes – survey approach with large sample size used to prioritize issues to</p> <p>On-going link with community not emphasized and political buy-in to enhancing participation poor.</p>
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<p>8 Is the strategic plan limited to effecting administrative organizational process</p>	<p>1 No—the process has been designed to include the political tradition. However, poor political buy-in could see the plan being used to greater effect by the officers. This scenario will operate while the CEO has a strong grip over policy initiatives.</p>	<p>4 No — the planning process was politically derived and subsequently adopted by officers.</p>	<p>4 Yes — seen more as an administrative tool by politicians. However, officers see it as both.</p>	<p>3 Politician pg1 on the strategic plan '...because that is what it is at the end of the day.... A computer program...the value of it allows you to see the effects tomorrow of the decisions you make today slot expenditure into the Strategic plan to forecast future rate demands' Narrow view of Strategic planning.</p> <p>Officer and previous council adopted a wider view pg1' they wanted a plan based on the community and what they wanted and an organizational response. The plan framework was adopted based on the argument that we are a service organization using other peoples money' 'assure planning framework all heading in the same direction'...'the SP an umbrella for the council's operation, which should be consistant with the community'....'</p> <p>Officer pg8, "I always thought the organization should be restructured to suit the four big headings, but our proposed re-structure doesn't quite do that...we're going to be more formally splitting were who's specifying what needs to be done and actually doing the technical work. The officer expresses a concern with not being able to link administration with devolved decision making.</p>
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<p>9 Does the process assist in achieving policy objectives via performance measurement?</p>	<p>6 Each activity area has set a mission statement that is consistent with the role of Council as identified in the strategic plan.</p> <p>Officer pg8 "The process gets you thinking about the business context, the pressures on you, what are the givens, what are the defining parameters, how do you deal with these – generates strategic thinking which is where we are at."</p> <p>The plan has defined performance measures assigned against goals within each business activity. Any risk inherent in performance measures is carried by the corporate. Currently the CEO's office monitors the achievement of strategic goals.</p> <p>Councillor pg7 'I would not have thought it would put pressure on performance criteria.... Change the focus perhaps...'</p>	<p>3 The plan formally states what council wishes it achieve over the next 1 to 3 years. This is not framed as a strategic performance measurement process.</p> <p>Officer pg3 'greenprint is very broad'...'we are setting up a new section called corporate planning implementation with a focus on ensuring the implementation of strategy'</p> <p>Councilor on performance measures and objectives pg5 '...one of the hardest things I find ...defining when enough is enough ...at what point is success achieved...or when does something need doing differently'</p>	<p>1 Toward Twenty Twenty is a broad document with no strategic performance measures.</p> <p>The organization relies heavily on the AP process to measure its progress and guide council's actions.</p> <p>Officer pg3 ' the SP process will evolve</p>	<p>1 The plan has an implementation section that specifies Councils actions in achieving strategic goals.</p> <p>Well developed financial link to strategic policies</p>
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10	Does the process assist in linking policy objectives to organizational capability (non-financial)?	5 6	There is a realization that internal resourcing must align with the types of skills and knowledge required to achieve the City key result areas. A training program linking back to the strategic plan is being investigated.	3	Strong Realization that a link exists between staff skills and strategic performance. At this stage, the process only goes as far as attaining staff buy-in through training.	3	No	1	Realization that human resource issues are critical to achieving strategic goals. Officer – debate kept out of public forum' Officer pg3, "The Corporate Policy Manual uses the same headings as the Strategic Plan" The strategic plan briefly identifies council's Actions, role, involvement and responsibility in achieving strategic goals. This is not linked to any assessment of organization capability.	3
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11	Does the process assist in achieving policy objectives via resource allocation?	5	At a higher level, the strategic plan is expected to provide guidance to the AP process. However, it is difficult to gauge a sense of priority between the City result areas. A project wish list has been developed – offers the only concrete guidance. Other guidance from the plan remains implicit in achieving consistency with Strategic goals.	2	No – no link to financial plans at this point – however the expectation exists.	2	At a higher level, the strategic plan is expected to provide guidance to the AP process. However, it is difficult to gauge a sense of priority between the City result areas. A project wish list has been developed – offers the only concrete guidance. Other guidance from the plan remains implicit in a very loosely defined vision outcomes and supporting strategies	4	Strategic Plan has a well-developed link to a LTFP. This tends to make the plan highly prescriptive. Officer expectations on allocating financial resource to projects, ". For a minor matter, you would do it in a precursory fashion, for a major matter you would expect to see a reasonable report that has gone through the steps. However I think a problem is establishing all the common underpinning principles of vision from a community through great consultation or whatever may not end up getting the right money to the right areas.
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12	Does the Strategic process assist in setting & achieving policy objectives?	<p>1 Yes – the vision process has been</p> <p>2 inclusive</p> <p>3</p> <p>Participative process has been developed compared with usual submission type process.</p> <p>Uncertain as to how links with the community will be maintained regarding strategic direction – no formalized revisioning process.</p> <p>Councillors expressed surprise in some of the issues that came out of the process. Realization that their networks not always totally in tune with consensus or service delivery type issues.</p>	<p>3 Vision process politically endorsed.</p> <p>Participative process has been more exhaustive. Officer pg2 'we figured that it was difficult for the public to pick up on the big picture, so we concentrated on issues'</p> <p>However buy-in to the vision is questionable. Councillor pg. 2 'It's beginning to be accepted by the community as something they can relate too.' Pg5 - Emphasis on communities taking ownership & responsibility – self monitoring.</p> <p>The process is geared to foster continued public involvement via councilors and small community groups.</p>	<p>3 Strong Perception that community buy-in endorses or provides a mandate to decision-makers. However, the process did tend to rely on a standard submission process, although DP focus group material was utilized.</p> <p>Achieving policy – perception that decision making is more effective due to more focused debate.</p>	<p>2 Officers' perspective that the survey processes combined with focus groups extremely effective in defining objectives.</p> <p>Councilors have an inherent distrust of survey process – Researcher unclear why.</p> <p>Officer perception that SP should make decision making extremely focused.</p> <p>Councilor perception that strategic planning simply provides a long-term financial planning tool. Issues are raised via the Annual Plan.</p>	3
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13	Does the process assist in achieving policy objectives via planning linkages?	5	The plan provides a relationship diagram of the planning processes. There is a clear hierarchy between plans and it is possible to see how the operational goals and performance measures are driven by the various planning frameworks.	4	The plan provides a relationship diagram of the planning processes. A hierarchy exists although the relationship between the District Plan and all other plans is diffuse. It is difficult to see how the strategic action areas are influenced or driven by what planning frameworks.	2	The plan identifies the need for links between district, tactical, annual and financial planning. As the operational linkage is weak – there is no detail on how the various planning platforms are integrated.	2	The plan clearly defines the relationship between the planning frameworks – both formally and in diagram. The timeframes and definition of each plan is given. Clear links can be seen between various plans and the actions advocated in the Strategic plan.	4
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<p>14 Is strategic planning expected to change decision making discretion</p>	<p>6 For Councillors no, given they are nervous about signing their names to the strategic plan – they are only comfortable if mechanisms exist to enact short-term change. The AP provides councillors with a mechanism to change the Strategic plan. In addition, no performance indicators exist against policy performance; i.e. politicians are not accountable for short-term decisions that impact the achievement of strategic goals.</p> <p>Officer pg. 6, 'In terms of staff.... are affected inevitably, reduced revenue, increased expenditure picture so something has to give....staff at the level of activity of how it is delivered' Suggests the plan takes away discretion from officers in that the path of action becomes more defined. 'Council is affected because of constraining factors on decisions they make'.</p> <p>Those who are control of setting the organizational strategic goals and actions to achieve those goals hold decision-making discretion. This is ultimately set by the Annual Plan within the parameters of the strategic plan. Pervasive feeling that the strategic plan is a guiding document only. Also an understanding that the SP has strong community mandate. Held in Balance between councillors and officers.</p>	<p>3 Councillor pg6, I think within the organization there are varying views...some of the councillors have to get used to working in an environment where you need to work together and communicate – some may feel threatened'</p> <p>Officer pg7, 'it's a matter of focus rather than parameters</p>	<p>3 Officer pg6, 'I don't think it will change ...Council's got the ability to change the Strategic plan at any time.....nothing is locked in concrete'</p> <p>Politician pg5, 'it will decrease discretionI think this is good....it will bring discipline'</p> <p>Mayor pg7, ' no I don't see it being used in that manner'</p>	<p>3 Councilor pg2, the strategic plan is simply a planning tool, it should never be written in stone' Perception that once a Strategic plan is adopted council loose decision making flexibility. Perception that the AP is the main driver for the SP – in other words AP issues are filtered through the SP to gauge their impact on the future financial position.</p> <p>Seems to be a lack of trust or understanding of the Strategic process.</p> <p>Officer pg1, in response to devolution of decision making to community boards 'potential conflict exists between community boards requesting specific fund allocations that are contrary to the Strategic plan allocations that were set via a community wide consultative process...my view is the Annual Plan should be submitted to the community boards but council should maintain the decision making prerogative over the budget based on the Strategic Plan'.</p> <p>Officer – would like to think so, - not in the short term.</p> <p>Mayor - no - political gut will always rule.</p>
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<p>15 What levels of decision making are most affected by strategic planning?</p>	<p>1 The plan is struck at two levels – at the 3 higher level, you have the vision linking 4 to issues and role of Council. At this 5 level political decision making is 6 targeted in terms of keeping political decision making on consistent path.</p> <p>Councillor pg1, 'Politically there is acknowledgement that specific issues were not dealt with when clearly they should have been'. 'This was one of the reasons for pre-empting strategic planning in 89/90'</p> <p>The lower level council officers are required to ensure the operational role is consistent with the plan i.e. the mission, strategic goals and key performance measures.</p>	<p>4 Greenprint is struck at a high level, although some organizational actions are flagged.</p> <p>Officer points out that resourcing will be linked to the strategic goals and actions indicating guidance at an operational and political level.</p>	<p>2 Towards Twenty Twenty has been struck at a high level. It lists broad strategies however makes no link to resourcing.</p> <p>The plan contains a schedule of capital projects.</p>	<p>The plan is struck at a detailed level, where politicians are guided in the annual planning process by the long-term financial plan.</p> <p>At the operational level officers are guided by the long term financial plan, service delivery role, strategic objectives and actions. Any significant deviation from the plan would require consideration by council.</p> <p>Officer pg6 – staff must fill out project evaluation forms i.e. is it in the strategic plan, where is it funded, what community will be affected, consequences if it does not go ahead, costs, consistency with corporate goals and goals and objectives, final score.</p> <p>Officer pg7, "multi-functional teams crossing all directorates used to generate the plan – process directed by the corporate.</p> <p>Officer pg. 8, operational requirements of capital projects need to be factored into costings in the LTFS.</p>
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16	How ambitious are the strategic plans? - I.e. are politicians or officers under pressure due to the process and requirements. Does the process/plan confront issues of democracy up front?	<p>4 Partial political buy-in — vision generated via SP process</p> <p>The plan is ambitious in terms of process. In terms of content, the strategic plan is conservative although leading edge in terms of what is happening in New Zealand.</p> <p>Officer on impact of strategic planning on the organization pg8, 'two years ago we wouldn't have had the management team talking about existing activities and not feeling defensive or territorial — that's a major culture shift.</p> <p>Officer pg1 'We were fortunate that some of our councilors wanted a long-term view, they felt the Annual Plan was not delivering what they needed. Politician on what pre-empted the desire for strategic planning pg1 '...provide a better financial focus...prioritise the things we wanted to do — where does PNCC see itself going'</p>	<p>4 Strong politically lead vision we are council is reinforced as an important player in achieving community well being. SP process used to gain community & organization buy-in.</p> <p>Officer pg. 4, 'political will is definitely the main driver to the Strategic plan'</p> <p>Politically the plan is ambitious regarding the issues that it is confronting and the solutions it is advocating.</p> <p>Because politically driven there is equal emphasis on those things that politician and officers need to do in order to move towards the vision.</p> <p>Officer on participation pg. 5 'we've tried to create more of an on-going relationship with individuals and community groups'</p> <p>SP is focused on what council wishes to provide rather than how — officer pg6.</p>	<p>4 Partial political buy-in to Strategic process — very weak visioning process.</p>	<p>2 Initial political buy-in — vision generated via SP process. Newly elected council — reject vision process and prescriptive nature of the plan.</p> <p>The plan is very ambitious - Identifying key issues such as urban form and prioritizing these. Allocation of resource over the long term to operational objectives. Officer pg1 '<i>I think its best to develop a SP outside of a statutory framework, decision making is less constrained</i>' - suggests an attitude of autonomy.</p>
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17	Are Councillor and officer roles defined in the strategic process?	5	No	2	No	2	No	2	No	2	No
		6	There does not seem to be any attempt or thoughts from either officers or politicians regarding the definition of roles. The comments from politicians suggest that CE is the principle interface given significant problems. Both officers and politicians suggest that a workable relationship must be maintained. The strategic planning process must assist relationship building – given that the key issues are worked through together.		Councilor on officer/councilor relationship pg7, 'I think the strategic planning process has influenced relations – it is taken as read that if your involved in putting an issue together you involve your politicians and officers (across the board) & community...so it works out different levels with different individuals and issues.		The strategic plan does identify the role of council i.e. provider, funder, promoter/facilitator, advocate.		However, the plan does list the values council should adopt based community expectation i.e.. open democratic decision-making, leadership, delivery of quality services, sound management of assets and finances, responsibility and accountability for decisions made. These values should guide both officers & politicians.		CEO & Mayor have not actively sought to define the relationship – either formally or informally. Officer pg7, expresses concern with CE's that take the most expedient path in relation to getting Councilors to act in strategic decision making mode.
					Officer pg7, 'there has been a very big emphasis on creating an air of partnership...we don't like taking an issue to council without having had prior input from council...we aim to work beside them...the process isn't formalised and varies according to issues.						Mayor on SP usefulness as a management tool, pg6 "It might be, but its got to prove itself....the concept I'm not fighting, but lets not expect it to do miracles"
					Officer pg8 , 'the CEO has been totally committed to the process, which has been crucial...the organization has to buy in as a wholeseparating policy, service delivery, regulatory and strategy has assisted in reducing organization conflict'						

18	What are the two key reasons provided by officers and politicians for strategic planning? (set this Q up as a scored matrix)	1 Officers – to read and cope with change, and provide goals and objectives to the organization and community. Politicians – Provide a focus on important issues, focus on long term planning, and finance.	4 Officer - Provide guidance to council decision making via a coherent framework. To make council more competitive and performance orientated. Politician – Achieve greater community involvement, and justify policy decisions regarding resource allocation (through a clear focus on issues)	4 Officer, Id the services council should provide the community, and identify the means to achieve goals and objectives Politician, Provide goals and objectives to the organization and the community, and identify the services council should provide the community.	3 Officer – provides goals and objectives to the organization & community, and identify the means to achieve goals and objectives. Politician – Meet legislative requirements, and provide guidance to council decision making	2
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Appendix VI Database Scoring

The database records comprise of the research criteria or questions, and the database fields comprise of the case studies and raw scores.

The information sources, including plans, transcripts and other research findings where analyzed against the research criteria or questions contained in the database records. The relevant findings for each TA were recorded as notes within the appropriate cells of the database.

Once the data was captured, it was data sorted to provide output consistent with research objective requirements. Raw scores and weightings where assigned to the sorted data, with the final weighted scores being calculated on Excel spreadsheet.

A standard raw scoring regime was applied to the research data contained within the databases. A raw score of one to five was allocated to each research variable. The significance of the score relates to a case study's position on a continuum and the research objectives associated to each continuum.

The raw score was adjusted by weighting assigned to the research criteria or question. The weightings were determined by the researcher who made an assessment on the influence that research criteria or questions should have on the positioning on a continuum. The method used for assigning and calculating weightings is detailed in Appendix 1.

Political Context – Score Table

Var	Weighting Group	P	W	M	NS	Weighting				
1	2	3	3	3	3	0.73	2	2	2	2
2	1	3	4	3	2	1.10	3	4	3	2
3	1	4	3	2	4	1.10	4	3	2	4
4	1	4	4	2	2	1.10	4	4	2	2
5	1	4	4	2	4	1.10	4	4	2	4
6	1	2	3	2	2	1.10	2	3	2	2
7	1	2	5	3	2	1.10	2	6	3	2
8	1	3	3	3	3	1.10	3	3	3	3
9	2	2	2	2	2	0.73	1	1	1	1
10	2	2	4	2	3	0.73	1	3	1	2
11	1	2	5	2	2	1.10	2	6	2	2
Final Weighted Score		3	4	2	3	11.00	32	41	26	29
							2.9	3.7	2.4	2.6

Weighting Groups

1=80% (ie. all vars assigned with 1 collectively have a combined influence of 80% on the final score.)

2=20%

Weighting Calculation

80%= 8.800 (% Var)

20%= 2.200

Tot Var's 11.000

Group 1 1.100 (%Var divided by number of Var's in each Weighting Group)

Group 2 0.733

Strategic Initiatives – Score Table

Approach by Prop 1

Var	P	W	M	NS	W	Weighted Scores			
2	3	2	1	4	1.00	3	2	1	4
4	4	1	1	3	1.00	4	1	1	3
7	1	1	1	2	1.00	1	1	1	2
13	3	3	3	3	1.00	3	3	3	3
14	4	3	2	4	1.00	4	3	2	4
17	4	3	2	5	1.00	4	3	2	5
18	4	2	2	4	1.00	4	2	2	4
19	5	2	1	5	1.00	5	2	1	5
21	4	2	2	4	1.00	4	2	2	4
22	3	1	2	5	1.00	3	1	2	5
25	2	2	3	4	1.00	2	2	3	4
26	3	2	3	2	1.00	3	2	3	2
29	4	2	2	5	1.00	4	2	2	5
31	3	2	2	3	1.00	3	2	2	3
33	4	3	3	4	1.00	4	3	3	4
41	5	2	1	3	1.00	5	2	1	3
46	4	4	1	3	1.00	4	4	1	3
62	4	4	3	2	1.00	4	4	3	2
Final Weighted Score	4	2	2	4	18.00	64	41	35	65
						4	2	2	4

Approach by Prop 2

3	4	3	1	4	1.00	4	3	1	4
4	4	4	3	1	1.00	4	4	3	1
5	4	3	1	4	1.00	4	3	1	4
8	4	3	2	4	1.00	4	3	2	4
11	2	2	2	4	1.00	2	2	2	4
12	5	5	2	5	1.00	5	5	2	5
16	5	5	3	5	1.00	5	5	3	5
17	4	2	2	5	1.00	4	2	2	5
18	4	2	2	5	1.00	4	2	2	5
21	4	2	2	4	1.00	4	2	2	4
22	3	1	2	5	1.00	3	1	2	5
24	4	4	3	4	1.00	4	4	3	4
27	4	3	1	5	1.00	4	3	1	5
28	3	3	2	5	1.00	3	3	2	5
29	4	2	2	5	1.00	4	2	2	5
30	4	3	1	4	1.00	4	3	1	4
31	3	2	2	3	1.00	3	2	2	3
51	2	3	1	3	1.00	2	3	1	3
52	4	3	3	5	1.00	4	3	3	5
Final Weighted Score	4	3	2	4	19.00	71	55	37	80
						4	3	2	4

Approach by Prop 3

4	3	1	2	4	1.14	3	1	1	2
26	3	2	2	4	0.30	1	1	1	1
36	4	3	1	4	1.14	5	3	1	5
38	4	3	1	2	1.14	5	3	1	2
30	3	2	1	4	1.14	3	2	1	5
40	3	3	2	3	1.14	3	3	2	3
47	3	3	1	3	1.14	3	3	1	3
48	4	4	2	5	1.14	5	5	2	6
49	4	4	1	4	0.30	1	1	0	1
50	5	4	1	5	1.14	6	5	1	6
51	2	3	1	3	1.14	2	3	1	3
52	4	3	3	5	1.14	5	3	3	6
Final Weighted Score	4	3	1	4	12.00	42	35	17	43
						4	3	1	4

Approach by Prop 4

1	4	1	0	4	0.67	3	1	0	3
2	3	2	1	4	0.67	2	1	1	3
6	4	1	2	2	1.50	6	2	3	3
7	1	1	1	2	0.67	1	1	1	1
9	4	3	1	3	0.66	3	2	1	2

Approach by Prop 6

1	4	3	1	3	1.35	5	4	1	4
5	5	5	2	4	1.35	7	7	3	5
6	4	3	2	4	1.35	5	4	3	5
7	3	4	2	4	0.30	1	1	1	1
25	4	5	3	4	0.30	1	2	1	1
46	5	5	1	5	1.35	7	7	1	7
Final Weighted Score	4	4	2	4	6	26	24	10	24
						4	4	2	4

Approach by Prop 7

8	4	2	3	4	1.00	4	2	3	4
64	3	3	2	3	1.00	3	3	2	3
Final Weighted Score	4	3	3	4	2	7	5	5	7
						4	3	3	4

Grand Total

3.8 3.0 1.8 3.8

Rad V's Cons by Prop 1

Var	P	W	M	NS	W	Weighted Scores			
2	3	2	1	4	0.900	3	2	1	4
4	4	1	1	3	0.900	4	1	1	3
7	1	1	1	2	0.900	1	1	1	2
13	3	3	3	3	0.900	3	3	3	3
14	4	3	2	4	0.900	4	3	2	4
17	4	3	2	5	0.900	4	3	2	5
18	4	2	2	4	0.900	4	2	2	4
19	5	2	1	5	0.900	5	2	1	5
21	4	2	2	4	1.125	5	2	2	5
22	3	1	2	5	1.125	3	1	2	6
25	2	2	3	4	1.125	2	2	3	5
26	3	2	3	2	1.125	3	2	3	2
29	4	2	2	5	0.900	4	2	2	5
31	3	2	2	3	1.125	3	2	2	3
33	4	3	3	4	0.900	4	3	3	4
41	5	2	1	3	1.125	6	2	1	3
46	4	4	1	3	1.125	5	5	1	3
62	4	4	3	2	1.125	5	5	3	2
	4	2	2	4	18.00	64	41	35	64
						4	2	2	4

Rad V's Cons by Prop 2

4	2	5	4	2	1.39	3	7	6	3
16	2	3	2	2	1.39	3	4	3	3
17	2	2	2	2	0.39	1	1	1	1
18	2	3	2	2	1.39	3	4	3	3
19	2	2	2	2	0.39	1	1	1	1
21	2	3	2	2	0.39	1	1	1	1
22	2	4	4	2	0.39	1	2	2	1
29	1	3	3	1	1.39	1	4	4	1
31	2	4	4	2	1.39	3	6	6	3
3	1	3	3	1	1.39	1	4	4	1
8	2	4	2	2	0.39	1	2	1	1
11	3	4	3	2	1.39	4	6	4	3
12	2	5	3	2	0.39	1	2	1	1
24	1	2	1	1	1.39	1	3	1	1
27	2	3	2	1	1.39	3	4	3	1
28	2	4	3	3	1.39	3	6	4	4
30	2	3	2	2	1.39	3	4	3	3
50	2	2	2	2	0.39	1	1	1	1
	2	3	3	2	17.99	33	60	47	32
						2	3	3	2

Rad V's Cons by Prop 3

4	2	5	4	2	1.20	2	6	5	2
26	3	4	2	2	1.20	4	5	2	2
30	2	2	2	2	1.20	2	2	2	2
36	2	4	3	1	1.20	2	5	4	1
38	3	3	1	3	0.72	2	2	1	2
40	3	4	2	1	1.20	4	5	2	1
47	2	3	2	2	1.20	2	4	2	2
48	2	4	2	1	1.20	2	5	2	1
49	3	4	1	3	0.72	2	3	1	2
50	3	4	1	3	0.72	2	3	1	2
51	2	3	2	1	0.72	2	3	2	2
52	1	4	2	1	0.72	1	4	2	1
	2	4	2	2	12.00	29	46	27	23
						2	4	2	2

Rad V's Cons by Prop 4

2	3	3	1	3	1.00	3	3	1	3
7	2	2	2	3	1.00	2	2	2	3
1	3	2	2	3	1.00	3	2	2	3
6	3	1	1	1	1.00	3	1	1	1
9	3	3	1	3	1.00	3	3	1	3

Rad V's Cons by Prop 6

1	3	2	2	3	1.26	4	3	3	4
5	4	4	1	4	1.26	5	5	1	5
6	3	0	3	1	0.35	1	0	1	0
7	2	2	2	3	1.26	3	3	3	4
25	2	2	2	3	1.26	3	3	3	4
45	2	3	1	1	0.35	1	1	0	0
46	3	3	1	2	1.26	4	4	1	3
	3	2	2	3	7	19	17	11	20
						3	2	2	3

Rad V's Cons by Prop 7

8	2	2	2	2	0.80	2	2	2	2
64	3	3	2	3	1.20	4	4	2	4
	3	3	2	3		5	5	4	5
						3	3	2	3

2.6 3.0 2.0 2.5

Adaptation — Score Table

Var	Weighting Group	P	W	M	NS	Weighting				
1	1	2	3	1	2	1.00	2	3	1	2
2	1	2	2	1	1	1.00	2	2	1	1
3	1	2	1	2	3	1.00	2	1	2	3
4	1	1	1	1	1	1.00	1	1	1	1
5	1	2	2	1	3	1.00	2	2	1	3
6	1	3	3	1	3	1.00	3	3	1	3
7	1	1	1	2	2	1.00	1	1	2	2
8	1	3	3	2	2	1.00	3	3	2	2
9	1	3	2	4	3	1.00	3	2	4	3
10	1	3	1	1	3	1.00	3	1	1	3
11	1	4	4	3	3	1.00	4	4	3	3
12	1	4	3	3	4	1.00	4	3	3	4
13	1	5	3	2	5	1.00	5	3	2	5
14	1	3	3	1	3	1.00	3	3	1	3
Final Weighted Score		3	2	2	3	14.00	38	32	25	38
							2.7	2.3	1.8	2.7

Weighting Groups
1=100% (ie. all vars assigned with 1 collectively have an equal influence on the final score.)

Weighting Calculation
100%= 14.000 (% Var)
Tot Var's 14.000
Group 1 1.000 (%Var divided by number of Var's in each Weighting Group)

Strategic Role – Score Table

Var	Weighting Group	P	W	M	NS	Weight	Weighted Scores			
1	2	3	5	3	5	0.68	2	3	2	3
2	1	4	5	3	2	1.26	5	6	4	3
3	2	3	5	2	3	0.68	2	3	1	2
4	1	3	2	2	4	1.26	4	3	3	5
5	1	3	4	1	3	1.26	4	5	1	4
6	2	1	3	2	1	0.68	1	2	1	1
7	2	4	4	1	4	0.68	3	3	1	3
8	1	4	4	2	4	1.26	5	5	3	5
9	1	3	2	1	3	1.26	4	3	1	4
10	1	3	3	1	3	1.26	4	4	1	4
11	1	2	2	2	4	1.26	3	3	3	5
12	2	3	3	2	3	0.68	2	2	1	2
13	2	4	2	2	4	0.68	3	1	1	3
14	2	3	3	3	3	0.68	2	2	2	2
15	1	4	2	2	4	1.26	5	3	3	5
16	1	4	4	2	5	1.26	5	5	3	6
17	1	2	2	2	2	1.26	3	3	3	3
18	2	4	4	3	2	0.68	3	3	2	1
Weighted Score		3	3	2	3	18.00	57	57	35	60
							3.2	3.2	1.9	3.3

Weighting Groups

1=70% (ie. all vars assigned with 1 collectively have a combined influence of 70% on the final score.)

2= 30%

Weighting Calculation

70%= 12.600 (% Var)

30%= 5.400

Tot Var's 18.000

Group 1 1.260 (%Var divided by number of Var's in each Weighting Group)

Group 2 0.675

Appendix VI Annual Plan Analysis

The final scores of the analysis of Annual Plans have been appended as evidence that a substantial assessment was made of TA practice before selecting research participants. A textual analysis was performed on the following plans, against a defined set of variables. A score was allocated against each variable. The results were plotted on graph that presented each TA in a quadrant. The position in a particular quadrant indicated both the political and strategic approach adopted by a TA. This provides a useful tool for comparing all councils and selecting participants.

	Var 1	Var 2	Var 3	Var 4	Var 5	Var 6	Var 7	Var 8	Var 9	Var10	Var11	Var12	Var13	Var14	POLITICAL SCORE	STRAT SCORE	Quadrant
	score	score	score	score	score	score	score	score	score	score	score	score	score	score			
ASBURTON	1		1	1	1	-1	1	-1	-1	1	1	1	1	1	5	2	2
AUCKLAND CITY	1	1	1	1	-1	1	1	1	-1	2	1	1.5	1	1	6.5	5	2
BANKS PENINSULA DISTRICT	-1	1	1	1	-1	-1	1	-1	-1	-1	-1	1.5	1	1	1.5	-1	1
CARTERTON DISTRICT	-1				1			-1	-1	-1		-1	-1	-1	-4	-2	3
CENTRAL OTAGO	-1				-1			1	-1	-1		1	-1	-1	-2	-2	3
CENTRAL HAWKES BAY	1		1	1	-1	-1	1	-1	-1	-1	1	1	-1	-1	-1	0	4
CHATHAM ISLANDS COUNTY	-1				-1			-1	-1	1		-1	-1	-1	-2	-4	3
CHRISTCHURCH CITY	-1	1	-1	1	-1	1	1	-1	-1	2	-1	1	1	1	4	-1	1
CLUTHA DISTRICT	-1							1	-1	-1		1	-1	-1	-2	-1	3
DUNEDIN CITY	-1		1	1	1	-1	1	1	-1	2	1	1.5	1	1	6.5	2	2
FAR NORTH DISTRICT	-1					-1	-1								0	-3	3
FRANKLIN DISTRICT	1		1	1	-1	1	1	1	-1	2	1	1	-1	-1	2	4	2
GISBORNE DISTRICT	1		1	-1	-1	1	-1	1	-1	2	1	1.5	1	-1	4.5	0	2
GORE DISTRICT	-1				-1	-1	-1	1	-1	-1		1.5	1	1	2.5	-4	3
GREY DISTRICT see AR	1	1	1	1	-1	1	1	-1	-1	1		-1	-1	-1	-2	3	4
HAMILTON CITY COUNCIL	1	1	1	1							1				1	4	2
HASTINGS DISTRICT	-1		-1		1	-1	1	1	-1	1		-1	1	1	2	-1	1
HAURAKI DISTRICT	-1			-1	-1	-1	-1	-1	1	-1		-1	-1	-1	-4	-5	3
HURUNUI DISTRICT	1	1	1		-1	-1	-1	-1	-1	1	1	1	1	1	5	-2	1
INVERGARGILL CITY	-1		-1	1	1	-1	1	-1	-1	2	-1	1.5	-1	-1	0.5	-2	1
KAIKOURA DISTRICT	-1				-1	-1	-1	-1	1	-1		1.5	-1	-1	-1.5	-4	3
KAIPARA DISTRICT	1	1	1		-1	1	-1	-1	-1	1		1	1	-1	2	0	2
KAPITI DISTRICT see later plan	1														0	1	2
KAWERAU D. C.	1				1	-1	-1	-1	1	-1	-1	1.5	1	1	1.5	0	2
LOWER HUTT CITY	1		1	1	-1	-1	1	-1	-1	-1		1.5	1	1	2.5	0	2
MACHENZIE DISTRICT	-1				-1			-1	-1	-1		1	-1	-1	-2	-4	3
MANAWATU DISTRICT	1			1	-1	1	1	1	-1	1	-1	1	-1	-1	-1	3	2
MASTERTON	1		1	1	-1	1	1	-1	-1	1	1	1.5	1	1	5.5	2	2
MATAMATA-PIAKO DISTRICT	1		1	1	1	-1	-1	-1	-1	1	1	1		1	4	0	2
NELSON CITY	1		-1	-1	-1	1	1	-1	-1	2	-1	1.5	-1	-1	0.5	-2	1
NEW PLYMOUTH DISTRICT	1	1	1	1	-1	-1	1	1	1	2	-1	1	1	-1	2	5	2

NORTH SHORE CITY	1		1	1	-1	1	1	1	-1	-1	1	1	-1	1	1	4	2
OPOTIKI DISTRICT	-1				1	-1	1	-1	1	2	-1	1.5	-1	1	2.5	0	2
OTOROHANGA D.C.	1				-1	-1	-1	1	-1	2	1				3	-2	1
PALMERSTON NORTH CITY	1	1	1	1	1	-1	1	-1	-1	1	1	1	1	-1	3	3	2
PAPAKURA DISTRICT	1			-1	-1	-1	-1	1	-1	1	-1	1	-1	-1	-1	-3	3
PORIRUA CITY	1	1	1	1	1	1	1	-1	-1	2	1	1	1	1	6	5	2
QUEENSTOWN DISTRICT	1	1	1	-1	-1	-1	1	-1	-1	-1	-1	-1	1	-1	-3	-1	3
RANGITIKI DISTRICT	1	1	1	1	1	-1	-1	-1	-1	-1	-1	1	1	1	1	1	2
RODNEY DISTRICT	1	1	1	1	-1	-1	-1	1	-1	1	-1	-1	1	-1	-1	1	4
ROTORUA	-1		-1		-1	-1	-1	-1	1	1	1	1		1	4	-5	1
RUAPEHU DISTRICT	1		-1	1	-1	-1	-1	1	-1	1	-1	1.5	-1	-1	-0.5	-2	3
SELWYN DISTRICT	-1				-1			1	-1	2		1	-1	-1	1	-2	1
SOUTH WAIRARAPA	1		1	1	-1	1	1	1	-1	1	1	1.5	-1	-1	1.5	4	2
SOUTH TARANAKI	-1	1	1	1	-1	1	1	-1	-1	1	-1	1.5	1	-1	1.5	1	2
SOUTH WAIKATO D.C	1		1	1	-1	-1	-1	-1	-1	1	1	1.5	-1	-1	1.5	-2	3
SOUTHLAND DISTRICT	1	1	1	1	-1	-1	-1	-1	1	2	-1	1.5	-1	1	2.5	1	4
STRATFORD DISTRICT	1		1	1	-1	-1	-1	1	-1	1	-1	-1	-1	-1	-3	0	4
TASMAN DISTRICT	1	1	1	-1	-1	-1	1	-1	-1	1	-1	1.5	1	-1	1.5	-1	1
TAUPO DISTRICT	-1				-1	-1	-1	-1	-1	1		1		-1	1	-6	3
TAURANGA	1	1	1	1	-1	1	1	1	1	1	1	1.5	1	1	5.5	7	2
THAMES-CORMANDEL D.C	1	1				-1	-1	1	-1	1	-1	-1	-1	-1	-3	0	4
TIMARU	1		1			-1	1				-1	1	1	1	2	2	2
UPPER HUTT CITY	1	1	1	1	-1	1	1	1	-1	-1	1	1.5	1	-1	1.5	5	2
WAIMAKARIRI DISTRICT	-1	1	1	-1	-1	-1	1	1	-1	1	-1	-1	-1	-1	-3	-1	3
WAIMATE DISTRICT	-1				-1			-1	-1	1		-1	1	-1	0	-4	3
WAIPA DISTRICT	-1	1	-1		-1	-1	-1	-1	-1	2		-1	-1	-1	-1	-6	3
WAIROA D.C	1	1	1	1	-1	-1	1	1	-1	2	1	1	-1	1	4	3	2
WAITAKERE CITY	1	1	1	1	-1	1	1	-1	1	2	-1	1.5	1	1	4.5	5	2
WAITAKI DISTRICT	1	1	1	-1	-1	1	1	1	1	2	1	1	1	-1	4	5	2
WAITOMO D.C section missing	-1		-1			-1	-1	1	-1	-1					-1	-4	3
WELLINGTON CITY	1	1	1	1	1	1	-1	-1	-1	2	-1	1.5	1	1	4.5	3	2
WESTERN BAY OF PLENTY DC	1	1	1	1	-1	-1	1	1	-1	-1	1	1	1	-1	1	3	2
WESTLAND DISTRICT	1		1	-1	-1	-1	-1	-1	-1	1	-1	1	-1	-1	-1	-4	3
WHANGAREI	-1	-1	-1	1	-1	-1	-1	-1	-1	1		-1	-1	-1	-2	-7	3

Appendix VII Standard Interview

Interview Questions

What has/is your involvement in Palmerston North City Council's strategic planning?

How did Palmerston North City Council come about to strategic planning?

What commitment to strategic planning is evident? *{Strategic planning position to influence in the organizational chart}*

Where does Masterton District Council formally derive its sense of purpose? *{vision / mission}*

Do you think the mission statement has a particular emphasis?

How is the vision derived?

- ☐ Where did the process come from?
- ☐ What was the role of the Mayor?
- ☐ How has ownership of vision been tackled - vision sharing?

PAGE3 B

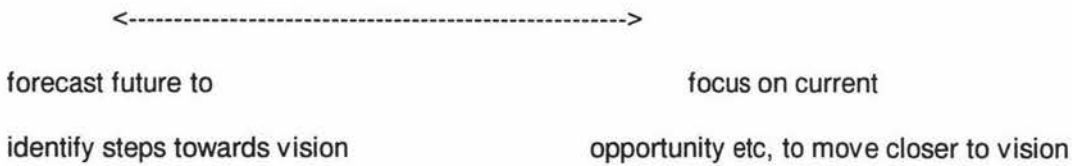
Do you think the vision incorporates more organizational or community values or both?

organization values <-----> community values

Is there a tendency/desire to forecast the future in order to identify steps towards a vision?

Is there a tendency/desire towards focusing on current opportunity, resource, skill and community circumstance to achieve vision?

Where does council lie on this continuum?



Do you think the values and perspectives of vision and mission statement are transparent in council decisions?

Is there a process by which the vision statement moves from the general to shape the specific?
{Is the mission statement considered into policy making?}

What about the mission statement? - what is the vehicle?

What is your concept of what policy is in Palmerston North City Council?

Does the process of achieving these policies vary a great deal?

Does the input *{time, levels of inclusion, money}* vary?

Is there guidance on linking input to the issue at hand?

Is this formalized? Where?

How is consistency in decision making maintained in this process? {i.e. are the steps & criteria used across a range service requirements}

How is public input evaluated in the process - *{Merit, Numbers,*
and how is impartially maintained?

Has council developed upon the traditional methods of participation? *{such as invited submissions, representative network}*

How is this being done? *{If not already answered - who decides how much - is policy being formalized - is funding clear?}*

What motivates council to strengthen participation? *{provide a list to choose from}*

2) Community boards

Have Community Boards been active in the strategic planning process?

Has strategic planning served to change the role of Community Boards - present - future?

Is delegation of powers discussed very often?

How are the community boards involved within policy making?

How are conflicting views between Community Boards evaluated in policy decisions?

B) Use and Expectations of Strategic Planning

Who is most affected by strategic planning? *Now & in the future, Organizational? Community?*

Is strategic planning putting pressure on the organization to change?

How? - processes, structure

How did the council learn about strategic planning?

{Consultants, initiatives of other council, own research, existing staff knowledge, other}

PAGE 1

Why are you strategic planning?

{pick out 5 of the most important - then select the two most important}

- ☐ Provide a focus on important issues.
- ☐ Provide guidance on the roles of councilors and senior officers.
- ☐ Meet legislative requirements more efficiently and effectively.
- ☐ Enable council to read and cope with change.
- ☐ Make council more performance orientated.
- ☐ Improve the methods by which council measures performance.
- ☐ Achieve greater community involvement.
- ☐ Provide guidance to council decision making
- ☐ Provide goals and objectives to the organization and community
- ☐ Identifying the means to achieve goals and objectives.
- ☐ Identify the services council should provide the community.
- ☐ Other.....

PAGE 3 - A

Indicate where the focus of strategic planning lies on the continuum.

Organizational focus <-----> community focus

(Inward view)

(outward view)

Organizational problems such as:

Community problems

☐ *internal communication*

☐ *issues orientated – environment, social, cultural*

☐ *rationalization of policy agenda*

☐ *equity issues*

☐ *definition of roles*

☐ *user-pays*

☐ *Corporate planning - resource requirements and allocation*

PAGE 2

What is the principal purpose of (territorial authority name) strategic planning?

{Tick 4 of most important - Rank in order of preference}

- ☐ To justify policy decisions - resource allocation and reallocation
- ☐ To improve the image of council and the local community.
- ☐ To confer the most equitable and efficient set of service/benefits to the lives of citizens.
- ☐ To adopt more private sector characteristics.
- ☐ To make policy decisions more reflective of the community needs and requirements.
- ☐ Create processes for the greater inclusion and use of community knowledge.
- ☐ Others

Do you think strategic planning will improve territorial authority's ability to provide the right level and type of services?

How?

Will strategic planning put pressure on Palmerston North City Council performance criteria and evaluation?

Will strategic planning help distinguish whether a service should be private or public good?

Will strategic planning help council compete with the private sector in the provision of services? *{i.e. confidence that local government can determine and provide public good as well as the private sector can determine the provision of private goods. ?}*

PAGE 4

What does your strategic plan focus on?

- ☐ Asset Planning - *{Major projects - setting of preferences, considering debt}*
- ☐ Financial and Asset planning - *{extrapolation of operational costs, expected savings = a performance target,}*
- ☐ Issues emphasis - *{broader community concerns}*
- ☐ All of the above
- ☐ Other

How have the community been included in the strategic planning process?

Is it envisaged that strategic planning will be an effective:-

1)administrative tool

2)governance tool?

{Effect for one more so than other?}

Is there a policy that defines the role and relationship of councillors and officers?

Do you think strategic planning will modify organizational behaviour?

**Administrative sense- is it expected to influence board/executive relationships?*

**Political sense - is it expected top influence how the board provides leadership to the council?*

Is a strategic plan expected to increase or decrease the discretionary powers of:

1)councillors.

2)senior officers?

How does strategic planning affect the role of the Chief Executive Officer?

Is strategic planning putting pressure on existing organizational structures?

How responsive is (territorial authority) strategic planning to change?

How is ongoing change incorporated into the existing documents?

How are linkages between the strategic plan and other documents formalized?

- ☐ Acknowledged by staff and committees at meetings.
- ☐ Written
- ☐ Inter-departmental liaisons - staff and information movement.

What works best?

How is strategic planning affected by changes in political circumstances? - How do you deal with it?

Is strategic planning flexible enough to deal with moving boundaries such as:

- ☐ changes in the community's values and perspective's ?
- ☐ decision-making discretion?

How does the territorial authority deal with conflict about strategic directions?

- ☐ Between community groups
- ☐ Council /officers
- ☐ Long and short term

Are the processes of review compatible with strategic planning

Are the policies and guidance from strategic planning compatible with existing organization structures and processes?

{Do you foresee a need for change of the organization structure and processes?}

Are the changes required for fine-tuning, or are they more fundamental?

Would you describe the current strategic planning process as being routine in nature?

{Not out of the ordinary of other processes }

Has territorial authority departed from established routines in process since strategic planning?

{less formalized , greater flexibility for change, multiple processes matched to circumstance, assimilation of ideas, emergent process}

Are breaks from established routines in process putting pressure on organizational structure?

{e.g., power bloc resisting pressures of process}

What has been the role of the Chief Executive Officer in strategic planning?

PAGE 3 D

Has the Chief Executive Officer determined the content of strategy, or, shaped the context within which strategy is formulated?

Patron <-----> Advocate

What commitment to strategic planning is evident? *{Strategic planning position to influence in the organizational chart}*

Does the strategic plan affect upon general staffing resource policies? {levels of staff, qualifications, placements, induction, contracts}

How are long term goals reconciled with immediate citizen demands? *{Look for establishment of priority, levels of commitment to long term, focused on the big picture}*

Mission

Does the mission statement say anything about the 'ends to be achieved' i.e. what needs are to be met, for whom and at what cost to the organization?

Is there an emphasis towards providing services in an efficient manner, or , building a strong sense of community wellbeing through council activities, or, a mix of both. *{Self-analysis - compare with what councillors think}*

Are goals included in the mission statement.

- * Do the goals reinforce the principal mission statement?
- * Do the goals change the focus/conflict with the focus of the principal mission statement?
- * Do the goals tie with general performance indicators?
- * What level of influence do these goals have in policy making? Are there examples of goals influencing recent policy decisions? How common is this?

- * How were the mission goals derived?

Questionnaire Cards

PAGE 1

Why is Waitakere City Council strategic planning?

Tick the 5 most important

- ☐ Provide a focus on important issues.
- ☐ Provide guidance on the roles of councillors and senior officers.
- ☐ Meet legislative requirements more efficiently and effectively.
- ☐ Enable territorial authority to read and cope with change.
- ☐ Make territorial authority more competitive and performance orientated.
- ☐ Achieve greater community involvement.
- ☐ Provide guidance to territorial authority decision making
- ☐ Provide goals and objectives to the organization and community
- ☐ Identify the means to achieve goals and objectives.
- ☐ Identify the services territorial authority should provide to the community.
- ☐ Other.....

PAGE 3

A) Organizational focus <-----> Community Focus

- | | |
|--|---|
| <input type="checkbox"/> <i>internal communication</i> | <input type="checkbox"/> <i>issues orientated environment, social, cultural</i> |
| <input type="checkbox"/> <i>rationalization of policy agenda</i> | <input type="checkbox"/> <i>equity issues</i> |
| <input type="checkbox"/> <i>Clarity of roles</i> | <input type="checkbox"/> <i>user-pays</i> |

☐ *Corporate planning - resource requirements
and allocation*

B) Organizational Values <-----> Community Values

C)

Forecast future to <-----> Focus on current identify steps towards vision
opportunity to move closer to vision

D)

Patron of the strategic <-----> Advocate for
planning process strategic outcomes

PAGE 2

What is the principal purpose of Waitakere City Council's strategic planning?

Tick the 4 most important

- ☐ To justify policy decisions about resource allocation and reallocation
- ☐ To improve the image of council and the local community.
- ☐ To confer the most equitable and efficient set of service/benefits to the lives of citizens.
- ☐ To adopt more private sector characteristics.
- ☐ To make policy decisions more reflective of the community needs and requirements.
- ☐ Create processes for the greater inclusion and use of community knowledge.
- ☐ Other.....

PAGE 4

What does the Waitakere City Council strategic plan focus on ?

- ☐ Asset Planning - {Major projects - setting of priorities, considering debt funding}
- ☐ Financial and asset planning - {extrapolating operational costs, identified savings, performance targets,}

- ☐ Issues emphasis - *{broader community concerns}*
- ☐ All of the above
- ☐ Other.....

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