

Strategic Development Plan of Municipality and its Possible Implementation into Slovak Planning System

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Abstract

Development planning in regions and municipalities is a hot topic nowadays. A grant project “Methodology of Development of Strategic Development Plan for Municipalities” takes place in Comenius University and Slovak University of Technology in Bratislava. A team of young researchers of more than 10 professions tries to develop a new approach to strategic planning in strong connection to practical problems of Slovak territorial and spatial planning.

The project started in 2005. Since that time the basic practical problems of spatial planning in Slovak municipalities were identified. Present European trends and examples were compared to Slovak approaches based on legislation and institutional support. Cooperation with Slovak municipalities and micro-regions enable the team to test the key ideas of the methodology while developing it and to see the partial results. All of the mentioned helped to find out key principals of strategic planning in Slovak municipalities and point on key factors influencing future implementation of it.

Key words: regional development, spatial planning, strategic plan, integration, coordination

1 Introduction

There was a “monopoly” of general urban planning in Slovak municipalities until 2001. In 2001 a new Act n. 503/2001 about Regional Development Support came into operation. It applied European knowledge and experience of strategic regional planning into Slovak legal system focusing on social-economic planning. “*The Program of social and economic development (PSED) is a mid-term plan consisting of analytical part, development priorities and activities, and suggestion of financial and administrative system.*” [1] The problem is that the definition of PSED brings a lot of practical problems and misunderstandings. It doesn't use a potential of the term “strategic planning” as the theory of strategic management understands it. The term is much more complex and balanced than our legal system defines.

In 2005 a project called “Methodology of development of strategic development plan for municipalities” supported by Agency for Science and Research Support started (shortened as APVT project in the rest of the article). The goal of the project was to develop methods of

development of strategic plan based on tools and principals of strategic management theory. The basic idea at the beginning of the project was that the methodologies for PSED development don't work properly. A new methodology was supposed to be used by both scientific and practical spheres. A model plan should have been developed.

The methodology of the project is based on multi professional cooperation, coordination of partial results and practical work with and in Slovak villages. The project research team is composed from young researchers coming from different faculties such as Faculty of Fine Arts, Faculty of Natural Sciences and Faculty of Management at Comenius University and Faculty of Architecture at Slovak University of Technology in Bratislava. Professions such as managers, regionalists, architects, landscape architects, sociologists, historians, environmentalists, etc. participate on the project. The project integrates professionals from practice too, for example a representative from regional development agency, a representative from non-government organisation "Agrogenofond", authorised architects, etc. More than 30 villages were invited to cooperate and involved in analytical part of the project. Practical partial results were presented in front of inhabitants and discussed with local governments.

A conference took place in Bratislava in March 2007. There were 2 goals of the conference. The first one was to present the scientific as well as practical results of project team. The second one was to get ideas and opposite opinions of 7 experts, 7 different professions, from universities and practice. All of them read the methodology and stated their arguments in positive and negative way. The general output was as follows. The topic of the project is very important and actual. The methodology of the project was chosen properly. The team didn't use all of the potential it had according to its multi professional background. It is almost impossible to join scientific and practical approach in a way the team did. Higher attention should be given to general planning system in Slovakia that consists of strategic planning, urban planning and ecological planning. The results of the project should be less diplomatic and more future oriented.

According to the recommendation of the experts the new goals of the project were given. Deeper analysis of the Slovak planning system in connection to foreign trends and recommendations should be given rather than just a methodology. The final publication will consist of 2 parts. First one will focus on analysis of world, European and Slovak trends in territorial and spatial planning together with ideas about possible improvement of Slovak planning system. The research should continue in a new project oriented on integrative planning system since next year. Second one will present some of practical principals and steps to create a good strategic plan. The publication will be used in a following 3-year-long project named "Integrated planning system" if the application is successful.

The rest of the article presents some of the results of the APVT project.

2 Strategy and its place in Slovak planning system

2.1 Misinterpretation of the term "strategic planning"

As already mentioned the term "strategy" is much more complex than Slovak legislation of PSED covers.

"When I noticed that the people of the same abilities can be both rich and poor I was surprised. But I discovered that the fact is natural. The ones without any motives and dreams of future failed." [2] *„A lot of complaining organisations complain just because they didn't have a good strategy, they didn't have any thoughts about future. Practical problems are mostly based on lack of imagination and creativity."* [3] *„A vision is an idea about the future based on fictions beyond today's experience."* [4]

"An inter-professional and inter-functional integration is a heart of each strategy. It means an ability to join and integrate activities in the whole range of value chain and to create a

situation in which all the activities complement into an integrated entity.” [5] “I guarantee that even the genial leaders aren’t authors of all of the new ideas. The ideas appear as a result of very advanced combination of creative people. The geniality of the leaders is to find the people, meet them, talk to them and to be in touch with them. This helps the team to slowly create an opinion on possible and impossible.” [6] “The main purpose for cooperation among different types of subject is that the cooperation is unavoidable.” [7]

All of the sentences above show the strategy is much more complex and important than just a mid-term plan of analysis, activities and support system. Each subject aiming to develop itself in a long-term perspective has to start by a strategic concept. Strategic concept functions as a very strong motivator. First, a vision has to be defined. It shows the future and answers the question how the subject wants to look like in a long period of time. Second, a mission means stating a purpose of a subject’s existence. Third, a strategy shows a way to reach the vision. It gives basic limits of what is and what isn’t allowed and eligible. Finally, the strategic goals define stages on the way to the vision and help to control the whole concept. The strategic concept helps to build success of a subject. [8]

It is not easy to create a good strategy. Even the big companies worldwide differ in they ability to have and implement it. Strategic planning in territories is even more difficult according to big amount of different types of involved subjects and their needs.

2.2 Principals of strategic management

Talking about strategic planning in territories we have to talk about strategy and its principals in general. A term “strategy” is very old and basically it is connected to military terminology. The very original work about strategy comes out from ancient China. Sun Tzu, an old Chinese Master, wrote a message *The Art of War* that is used by nowadays managers worldwide. Sun Tzu talked about the main premises of a victory – to know your own army, to know your enemy, to know the conditions. He also points on necessity of interaction and integration of factors mentioned below.

The project of APVT team developed a table that compares strategic principals used by different subjects – army, commercial company, non-profit organization and municipality. The comparison helps to clarify the way municipalities should be managed.

Table 1 – Comparison of strategic principals used by different subjects

	Army	Company	Non-profit organization	Municipality
Ethical rules of governance	The rules have to be wise and have to include moral support of soldiers. Soldiers are the ones that really fight and create the victory.	The employees have to know they are important and supported. Managers have to be responsible and fair.	Ethics influences not only the employees but also the public. Public support or reject NO according to its moral credit.	A public control should be stricter about local governments as well as about the behaviour of inhabitants.
Abilities of generals	The personality of the general couldn’t be learned like professional skills. That means it has to be the main factor of selection. The most important are wisdom, courage, benignancy, honesty and strictness.	The ancient principals were transformed into rules of leadership in companies.	The leader and his personality help to motivate people. A lot of volunteers work in NO processing under very hard conditions because of their leader.	Natural informal authorities for local inhabitants have to be involved into leading in territories.
Conditions, climate and landscape	Environment is a factor that is not possible to control. A good general knows how to use it by choosing correct time and place of the fight.	Change management is belongs to the most frequent terms in companies. Sector analyses are important.	Similar to companies.	The municipality cannot move itself. Therefore its important to identify a key potential and to use it. It is a mistake to copy the way other territories behave.

Comparison of strengths of armies	“Strengths” is a relative term. They have to be judged in comparison to strengths and weaknesses of the enemy. Good generals know their enemy and disable the enemy to know them. It is very effective to borrow the power and to make alliances.	Competitive analyses as a basis for strategy development are used daily. Competitive advantage is a key power of the company that the competitor cannot copy. Strategic partnerships help to grow even thou the company doesn’t have the potential by itself.	Partnerships help to create synergic effect among activities of different NOs operating in the same territory or group of people. It also helps to share sources and risks.	It is important to compare the potential of the municipality with the potential of its neighbours. Also the trend in time is important. Partnership enables the municipality to “move” and cross its territorial borders.
Organisation	Rules are important for the army. Also it is necessary to delegate the competences to make decisions to lower officers. Full trust, honesty and truth is needed to do so.	Hierarchic organisational structure is changed into linear one and less levels of management are used. Teamwork is preferred in most companies.	All of the employees and volunteers know the vision, mission and actual projects of NO. This helps to create close relationships and enthusiasm.	Combination of formal structure (local government) with informal one (opinion leaders) is needed. It is important to encourage inhabitants to cooperate and come up with their own activities.
Training of generals and soldiers	If the soldiers don’t know the signs they cannot follow their officers in a battle.	“Learning organisation” means continuous learning of all employees. It involves studying, learning in practice on their own mistakes and understanding of the organizational culture.	Contains on understanding of the NO. Studying is mostly based on informal contacts and discussions.	Education of inhabitants is a key to their activity. They have to take their own part of the responsibility for the situation in territory.
Discipline	A balanced system of rewards and punishments is needed. Both sides have to be clear, fair and strictly kept.	System of rewards and punishments is involved in a system of salaries, benefits and motivators.	NO use the system of awards. They are basically based on individual satisfaction and feeling of being useful. Sometimes the feeling is so strong that the worst punishment is to exclude the person.	An effective system of aids and donations is needed. But the most important is to teach people to be responsible for their own behaviour except of waiting for the government decision.

2.3 Planning system for territories in Slovakia

Actual Slovak planning system consists of 3 pillars – strategic planning (Act n. 503/2001), urban planning (Act n. 50/1976) and ecological planning (Act n. 24/2006).

From the legal point of view the urban planning is the most important one. It is obligatory and Slovak subjects are already used to it. The problem is that the Act n. 50/1976 about urban planning and building didn’t change since it was created and it isn’t as suitable as it should be. A new act was created in spring 2007 and the quality is even worse than the old one. The Slovak government didn’t accept remarks and suggestions of professional organizations. The topic of urban planning was pushed out of the emphasis of the act. Second problem is there are no professional offices on local or national level concerning urban planning today. There was a national office URBION and offices of Chief architects in municipalities in past. Offices of Chief architects were closed down after 1989 as a result of aversion of Slovaks to any kind of planning. URBION was closed down too and the coordination and methodology of territorial planning shifted to Slovak agency for environment in 2003. The importance of urban plan decreased and the importance of ecological plan increased as a result of the change.

Ecological planning is an obligatory part of urban planning. The problem is the actual methodology is very complicated and expensive. That means the municipalities force the teams to lower the quality. Also the “urban” team doesn’t cooperate with “eco” team very

often. Ecology is a part of analysis but it isn't implemented in a part of urban suggestions. This situation brings an anti-reaction of ecologists. They start to create urban plans by themselves. Of course the quality of final plan is even lower usually. The Ministry of environment SR prepare the Slovak country policy this year. It tries to get closer to urban planning system and to interact these 2 tools more closely finally. Hopefully the policy helps to improve the situation of urban planning too.

Both of urban planners and ecologists don't like to accept the third pillar. The Program of social and economic development (PSED) is a young tool created in 2001. The integration of SR into EU was the main purpose for the Act n. 503/2001. Several methodologies how to make the PSED occurred, each of them has its own strengths and weaknesses. The problem is the municipalities don't understand the importance of strategic planning. PSED are developed only because EU grants require them. Also the interactions among PSED, urban plan and ecological plan are very weak or none. These days there is a new act under preparation. Unfortunately the situation is even worse than the one with urban planning. The government doesn't accept the professional discussions and will create very bad conditions for future probably.

In 2004 the last amendment of the Act n. 330/1991 about land reform was signed. The problem is the act doesn't correspond with none of the acts mentioned above. The methodology of the reform is independent and financed from EU funds. In practice it helps to clean up the land properties and relationships but on the other side it destroys historical land structures. The will of Ministry of Agriculture SR to discuss is very poor.

Generally we can say the situation in territorial planning in Slovakia is bad. It is complicated also with the Act n. 416/2001 about passing some of the competencies to municipalities. The real power in the territory moved to local governments. The quality of the region depends fully on the decisions of few people. Professionals with their knowledge, ideas and skills are pushed away from the regions or they aren't paid well. Wrong decisions and disappointments occur.

2.4 Basic recommendations

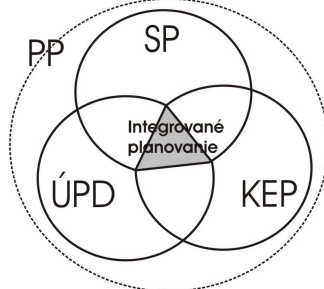
The APVT team developed the rules for strategic plan development. First, a complex approach based on context has to be used. "*Context understanding enables to catch the relationships and interactions better than just a certain point of view.*" [9] Second, cooperation and agreement among different subjects, such as professionals, local government, inhabitants, interest groups, enterprises, cooperation municipalities, etc. Third, it is important to focus on key factors and competitive advantages. It is a mistake to try to solve all the problems the territory has. "*Cardinal problem is to choose the things crucial in a given situation.*" [10] Fourth, a long-term, progressive and motivational vision must be developed. Fifth, we have to pay attention to reality and realizable goals. The ability to join all of the plans and activities in the territory helps to save money, time, people and stress. "Focusing on complementary and coordination of planning systems helps to avoid duplicities, misunderstandings, lower the costs and increase the effectiveness of planning." [11] At last, the plans have to be flexible and cyclic.

A formal structure should correspond with the idea of strategic principals. The core document should be short (not more than 15 pages) and should consist of strategic parts, such as SWOT analysis, key potential and limits, stakeholders, vision, mission, long-term strategy and strategic goals. Operative goals can be removed into attachments with a link to relevant action plan or project. Analysis can be placed in attachment as well. The form is much easier to public and to read and understand for local government as well as for inhabitants.

A new project focusing on integrated planning system should begin in the future. Its goals should concentrate on connecting all of the 3 described pillars. It includes identification of

possible interactions and intersections. The key point in from point of view of practical implementation is a revision of legal system, system of Slovak institutions and methodologies of individual pillars. Also the question of professionals and their education system should be touched. The new project should be based on multi professional cooperation involving the politicians too.

Picture 1 – Integrated planning system



3 Conclusion

The article showed a brief overview about the APVT project “Methodology of development of strategic development plan for municipality” and its results. The key point could be stated as follows. The territorial planning system in Slovakia is in a bad situation. To change it, it is necessary to focus on coordination of its 3 pillars – strategic planning, urban planning and ecological planning. An intersection of these pillars, integrated planning system, is a crucial point for future success and balanced development of Slovak municipalities.

The APVT project described in the article brought the basic strategic principals for territorial management. It helped to understand the term “strategy” and brought new ideas into theory of spatial planning. After the project finishes the key steps for making a strategic plan will be developed. The limit of the APVT project is in its concentration on strategic planning. Just brief intersections and connections with other planning systems in Slovakia are described. A new project should focus on integrated planning system more deeply.

The main principals for regional development that the APVT team pointed on correspond with the conclusions of the Biennale of European Urban and Spatial Planners (Budapest, June 2007) and World Congress of Housing and Planning (Copenhagen, September 2007). The conclusions of these 2 events are as follows. Spatial and urban planning have to match while a renaissance of planning is coming. Principal of long-term strategic planning have be used. A communication, coordination and solidarity are the critical conditions for “multi” approach needed nowadays. General skills are more important than individual professionals. The municipalities have to be competitive but not competing. Politicians have a real power meaning they must be involved into territorial development planning.

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