A participative strategic planning approach for the local development

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Abstract

The constant mutation and the tendency for the disharmony of the current economic environment leads to the mobilization and the compromising of the society in the process of strategic decision making for the local and regional development. The knowledge absorption and development of specific competencies to organize and coordinate the search of the expected future are very important to sustain a process of socioeconomic growth. The lack of those requirements generates flow losses threatening sustainable development of cities and regions. In areas of low socioeconomic and technological development, particularly in Brazil, the knowledge generated in the universities and research centres have not been contemplating satisfactorily in applications and systemic benefits, except for some cases of located success. In this context, Strategic Planning approach, recently applied to regions, is an important tool for the mobilization and compromising of the social bodies for to direct resources and to face infrastructure deficit and explore regional and local potentialities. We propose an interactive approach for the regional and local Strategic Planning adapted to boundary conditions of a peripheral city of medium size. This paper includes: (1) an applied methodology to that framework; (2) the hierarchical structure of decision making; (3) the work dynamic of the thematic groups; (4) considerations about the key points; (5) conclusions and suggestions.
1 Introduction

“IT is necessary knowledge to reach the economic, social and technological development. In order to this happens it is necessary to transform ideas into instruments. The transformation is nothing else that the application of experiences, practices, rules, beginnings, that is, of knowledge for the problems solution that impede the uncoiling of an activity, guaranteeing the respective development. On a side, the knowledge can be empiric, based on the experience in accomplishing activities, and, of the other side, it can be scientific, structured from analysis and synthesis of phenomenons and things. Logically that, in function of the prevalence of type the development function will be different” (Zawislak [1]).

The “modernity shock”, that our economies are being exposed, demands a reformulation of themselves based on the development of techniques and industrial process, where the scientific knowledge acts as true production factor. The empiric knowledge - and its solutions for complex problems – it is not enough to compete in global markets. It is necessary much more than experience. It needs to understand the reason for the success or failure of this to formulate new knowledges. Concisely, it is necessary to institutionalize the knowledge influence, empiric and/or scientific, in the increase of the society (consumers and companies) well-being. That is, to formalize the relationship between knowledge and economic development with the objective the best to use it (Nelson & Winter [2], Dosi [3]).

This formalization is characterized by the stages sequence development, from the recognition of the potentialities of each area, until the dynamic that follows the technological innovation flow; through the need of determining central objectives that guide performance lines with capacity of constant adaptation. In other words, it is necessary to formulate in a systematic way the following questions: who are we? what do we want? how will we arrive there?

It appears the ineluctable and vital challenge, formulated by the current conjuncture: to adapt! Adaptation that, if not well happened, will remove an organization of the market (substituting it for another with better competitiveness conditions), but won't remove a region from the place, changing it very close to what have been named “excluded area”: “Human crowds fighting, alone or in family, for not deteriorating, nor too much nor very quickly. And countless others in the periphery, living with the fear and risk of dropping in that same state” (Forrester [4]).

Then, what can we made? To mobilize the citizens about the importance of the contribution of each one, to reflect about the future that we want, to formulate proposals and to act strategically to arrive there. To organize ideas. To change structures and its interrelations. To drift long term and with global vision. An useful tool - the Strategic Planning - when administered with competence and indeed implemented, it helps us in the process of transforming proposals in concrete actions.

Challenges to be transposed in the Strategic Plan elaboration process are several. Particularly in the strategic planning of the cities and regional development,
several others difficulties are joined. Differently of a company - where the planning is guided to an organization, that in spite of the internal forces polarizations, can be considered an integral unit, structured hierarchically, where the decision makers are insiders – the community’s regional planning, it is guided to functions, it involves countless entities, groups and leaders with several objectives, a lot of times divergentes and not hierarchized. The desicion process is in outsiders’ hands, becoming much more complex and difficult. The focus has to be guided to organize the thought and the action collective in a net inter-organizational, in which any person, group, organization or institution has the whole responsibility. It is distributed among the stakeholders of the process (Bryson [5], Nutt [6]).

In this process, due to the great number of involved variables, to find consent alternatives, that are viable, for the many problems solution that affects a community is a gradual process, that has to be interactive and thoroughly discussed. It has to look for a high commitly degree, and even complicity of the participant entities, the plan deliberative and executive organs for indeed they incorporate to the Strategic Planning of the Regional Development. “A great part of the time is necessary for the accomplishment of discussion forums, involving several negotiations and agreements in existent or new arenas, and coordinating activities and actions of great number of people, groups, organizations and institutions” (Bryson [7], [8]).

In that context, our objective is to present a methodology applied in the Strategic Plan elaboration for a medium size peripheral city, considering its peculiarities, and cultural and historical aspects, exploring its specific competences and potentialities in an efficient and effective way (Vieira [9]).

In a generic way, it can consider three different phases for a Strategic Planning process (Barry [10], Bryson [11], Cunha [12]):

Phase 1 - Pre-diagnosis and Diagnosis: in the Pre-diagnosis are lifted up data, information and regional and contained socioeconomical indicative, by economic activity section or segment, in a base of data. The Diagnosis consists of the analysis and evaluation of that consolidated “data base”, of the external and internal environment to the system in subject, through the identification of potentialities and deficiencies, critical areas and tendencies, that are the base for establishing the Central Objective (mission and vision) and the prioritized lines strategic.

Phase 2 - Strategic Projects and Action Plans: established the Central Objective and defined the strategic lines for each critical or prioritized area, the specific objectives, the strategic projects and action plans are traced to reach the respective objectives inside of each strategic line. Later the actions, proposals and suggested projects are selected and prioritized. Then it is finished the stage of Strategic Plan elaboration.

Phase 3 - Implementation: the selected and prioritized action plans and projects have to be detailed and implemented by the competent agents (City hall, Companies, Universities, etc.). This is the most critical phase, because not always there is an enough agents’ compromizing degree with what it was drifted, needing an efficient administration and constant mutual collections to stay the
focus, the integration and the “sinergia” of the process, so that the Plan is not only a document.

The formation and the consolidation of a Supporter Consortium is fundamental for the financing and the institutional supporting to the Plan, what can be begun through sensibilization and mobilization seminars of the main entities and local society’s representatives. However, for the start up of the process, it is necessary to constitute and to organize the responsible structure for the Plan administration, in decision levels compatible with the stages and attributions requested for the activities and tasks development. A proposal in that sense will be presented to proceed.

2 The methodology proposal

We considered the case of a peripheral city with medium size, low indexes socioeconomic development and incipient technological base. Through an initial seminar of sensibilization, the main local entities were mobilized for the formation of the Plan Supporter Consortium. The local city hall is liable for forming the consortium by the action diversity in strategic areas.

2.1 The strategic plan organizational structure

The Figure 1 shows a Plan basic struture, with the following attributions for each organ:

**Fixed structure**
Supporter Consortium - responsible for the financial support for the Plan elaboration and implementation, and the Plan juridical and accounting questions. Generally it is formed of entities that integrate the Director Council.
Community Council - Plan maximum organ, responsible for approving decisions. Formed of class entities, main companies, associations and unions. It has to represent the community’s longings and approve, ultimately, the Plan integral documents.
Director Council – integrated for the institutions leaders in the development process and with multiplier power. Deliberative organ. It is a Community Council subset.
Executive committee - responsible for the direct administration of the elaboration activities and accompanying the Plan implementation, it has to assume the Plan conduction. Aided by a technicians team in keysegment of the township economic activity, that can evaluate the technical, economic and environmental viability of the projects. It is generally a Director Council subset.
Executive Office - Executive Committee auxiliary organ, responsible for executing the tasks, events and documents, organizing data and files about the Plan, and for the information flow, internal and external, and propaganda and marketing activities.
Consultant - responsible for the formulation of the Plan elaboration and implementation methodology, and the work dynamic to be developed. It has to
act in the Plan decision main levels, evaluating, readjusting and adapting the methodology. It is important that the consultant team is familiarized with the Plan target environment/system, in order not to proposal ready formulas, incompatible with the local reality.

**Variable structure**

The variable structure is composed by the work groups that will produce the information and discussions on the strategic themes for the local development. Divided in 3 phases:

- **Phase 1** – Diagnosis Groups: critical reflections relative to the internal (weaknesses and strengths points), external (threats, opportunities) and tendencies analysis;
- **Phase 2** – Proposition Groups: presentation of proposals, projects and actions to be reached the objectives inside of each strategic line;
- **Phase 3** – Impulsion Groups: marketing and accompaniment of the strategic projects and action plans implementation.

3 **The plan elaboration process**

The stages for elaboration of the Plan are described to proceed:

1) **Plan Director Council Meeting** for analysis and discussion about the work to be developed.
   - presentation of the methodology.
   - organization of the Plan structure and evaluation of critical issues and eventual incoherences.
   - definition of the work dynamic and the themes to be worked.
   - formation of the Diagnosis Groups.

2) **Diagnosis Groups Meeting** for presentation of the methodology and the work dynamic to be implemented.

3) **Plan Director Council Meeting** for the consolidation of the Diagnosis.
   - identification and selection of critical areas.
   - definition of the Strategic Lines and Objective.
   - formation of the Proposition Groups.
   - elaboration and exposure of the Diagnosis Report (contains the Central Objective, the Strategic Lines and the indication of the respective objectives).

4) **Proposition Groups Meeting** for presentation of the methodology and the work dynamic to be implemented.

5) **Plan Director Council Meeting** for the evaluation of the Proposition Groups works.
   - consolidation of the propositions.
   - definition of action plans, selection and priorization of Strategic Projects.
   - elaboration and exposure of the *Strategic Projects and Action Plans* Report.
6) Impulsion Groups Meeting (Implementation Stage) for presentation of the methodology and the work dynamic to be implemented.
7) Beginning of the activities of the Impulsion Groups.

**Fixed Structure**

- Community Council
- Director Council
- Executive Committee
- Technical Staff
- Consultant
- Executive Office

**Variable structure**

- **Phase 1 – DIAGNOSIS**
  - DG-1
  - DG-2
  - DG-n
  - DG – Diagnosis Groups

- **Phase 2 – PROPOSITION**
  - PG-1
  - PG-2
  - PG-m
  - PG – Proposition Groups

- **Phase 3 – IMPULSION**
  - IG-1
  - IG-2
  - IG-p
  - IG – Impulsion Groups

Figure 1: Plan organizational structure.

**3.1 Work dynamic**

The work dynamic is the form how the Plan constituent organs relate among themselves, and the means by which the necessary information will be produced, inside of the adopted methodology. The documents produced by the the Plan variable structure, formed for the work groups of each phase, Diagnosis, Proposition and Impulsion, necessarily in that order, they are interpreted and synthesized by the consultant and later they are submitted to the analysis and approval by the Executive Committee (with relationship to the form and clarity)
and by the Director Council (verification and priorização of the proposals) and, finally they are submitted to the approval by the Community Council.

In the stage of Diagnosis it is important the punctuality and the objectivity of the discussions for not generating inconsistent information. For each group, they were defined a coordinator, a narrator and a facilitator (professional with qualification to the referred theme, to supply specific information and to illuminate eventual doubts).

The figure 2 (in the appendix), illustrates the performance of the several decision levels in the Plan structure in the documents elaboration process in each phase.

4 Key points to be considered

In the process of elaboration of the Strategic Planning can highlight some keypoint so that it doesn't commit, previously, the success of the Plan:

- guarantee that the Supporter Consortium is able to supply enough financial support for the expenses of elaboration of the Plan, avoiding the dependence of a specific entity and the possible delay of the chronogram;
- illuminate the population about what is a Strategic Plan, informing how it is being driven with efficient marketing campaign;
- avoid indications for personnel's approaches non technicians that will act in the elaboration of the Plan;
- define a president, a coordinator and an executive secretary for the Plan, and theirs respective attributions, that speak on behalf of the Plan;
- avoid political-partisan connotations on the representation of local institution;

5 Conclusions

The Strategic Planning approach presented in this paper has been applied to a peripheral city of medium size of the Brazilian southeast. Until the moment, the largest difficulties of the Plan elaboration process are relative to the concluding of the works of the thematic groups, that, at first they were in too much number (11) for the city proportions. For some themes, as for example public finances, the readiness of important information is scarce, what hinders a more consistent analysis in terms of strengths and weaknesses points. There are evidences that, in some groups, the members developed an analysis more in terms of political repercussion than critic properly, what perhaps has made up some produced information.

In the moment, we are finishing the diagnosis phase, consolidating the internal analysis and improving the external analysis. Roughly 3 months, we should be concluding the strategic lines and its respective objectives.
References


Appendix

Figure 2: Decision process flowchart of the Plan elaboration