

STRATEGIC PLANNING IN U.S. MUNICIPALITIES

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Abstract

Strategic planning started in the U.S. as a corporate planning endeavor. By the 1960's, it had become a major corporate management tool in the Fortune 500. At first, it was seen as a way of interweaving policies, values and purposes with management, resources and market information in a way that held the organization together. By the 1950's, the concept was simplified somewhat to focus on SWOT as a way of keeping the corporation afloat in a more turbulent world.

The public sector has been under pressure for a long time to become more efficient, effective and responsive. Many have felt that the adoption of business practices would help to accomplish that. One tool borrowed from business has been strategic planning.

At the local government level, strategic planning became popular starting in the 1980's, and the community's planning office was called on to lead the endeavor. The planning office was often the advocate of the process. Urban planning offices had been doing long-range plans for decades, but with accelerating urban change a more rapid action-oriented response was desired.

The paper describes this history and process in the East Lansing, Michigan, U.S., where comprehensive community plans are the result of a multi-year visioning process and call for action-oriented, strategies for targeted parts of the community.

Keywords: strategic planning, US, local communities, comprehensive community plans, East Lansing, MI.

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1. Introduction

The public sector throughout the world has been engaged in reform efforts for more than three decades. These efforts have been wide-ranging in both purpose and process. Major purposes of reform have been to make government more efficient, effective and responsive. Rightly or wrongly, efficiency has been a concern because many have seen government as inefficient. Perceived reasons for this have been unmotivated public employees, high cost procurement processes and general corruption.

Government has been seen as not effective enough not just because of efficiency concerns in the narrow sense of output per unit, but also because of lack of direction, strong leadership and suppression of innovation. Responsiveness issues have resulted from citizens concerns about the lack of bottom up connection between citizen desires for public services and public motivation to respond. In short, even in representative democracies, the connection between political demands and bureaucratic response has been perceived to be slow and weak.

Others have pointed out that corporations, particularly those with oligopolistic positions, can also become inefficient, unresponsive, short-term oriented, and corrupt. Whether or not and to what extent the perceptions of government *versus* the private sector are correct, one thread that has run through the public administration reform movement is that governments should act more like private companies, responding to market demand and competing to find the most efficient and effective methods.

In the 1980's a strong movement in the U.S. focused on reforming governments in a variety of ways that injected market forces and private sector expertise into the governmental process. Some of the efforts included: the application of public-choice economic theory (Tollison, 1984), private procurement of public services (Boyne, 1998), and public-private partnerships (Leuca, Hamlin, and Van Ravensway, 2011). The era of Regan, Nakasone and Thatcher witnessed the push for the privatization of government on three continents (Hamlin and Lyons, 1996). The 1993 book *Reinventing Government*, started a movement by offering a set of specific examples of how market forces could be injected into public policy without changing government's basic structure or mission (Osborne and Gaebler, 1993).

This thrust, which is still alive, today, has been successful in changing the dialogue about how to reform government. Even when pro-market efforts to reinvent government have failed, they have highlighted new areas of concern about governance. How do we answer the following questions with respect to each of the goods or services demanded by society: 1) Who should produce those goods or services?; 2) How much should be produced?; 3) Who pays?; 4) What price?; 5) Who benefits?; 6) What level of quality should be demanded?; 7) What underlying infrastructure should support production?

For each of the questions above, we also have to decide: 1) Who determines the answer to the (above) questions?; 2) On what criteria are the answers are based?;

3) Who are these decision-makers accountable to (or who is accountable to whom)? (Buchanan and Tollison, 1984).

Planned economies try to make all of these decisions based on rational analysis through centralized decision making. Yet, all attempts at planned economies are overwhelmed with the magnitude and speed with which all of these decisions have to be made. And, rational analysis seldom escapes various forms of bias. Market forces always creep back into the system, either intentionally, or through black markets.

Pure market economies try to rely on market forces to make all decisions, but are always overwhelmed with the high level of externalities present in nearly every action. Very few markets for goods and services can be said to flawlessly exhibit Adam Smith's pure-competition invisible hand.

One way to look at public administration reform is to seek the right balance between technocratic planning and management and the injection of market forces, while maintaining governments' ability to set goals that lead to the achievement of a public purpose and the public interest. A part of this thrust has been to look to the business world for tools that would help find that balance. One of the tools coming out of the world of business that has been adapted and adopted by the public sector is strategic planning.

The purpose of this paper is to describe briefly the history, process and future of strategic planning in local governments in the US, a story that is somewhat different than that in Europe. The first section looks briefly at the historic roots of strategic planning in the U.S., how that history might be different from that in Europe. The second section describes how strategic planning is typically done in the U.S., with the third section providing a case study. Then some conclusions are drawn.

2. Background: A brief history of strategic planning in the U.S.

Strategic management is more than 2 millennia old and has military origins. The word 'strategy' may come from the Greek word '*strategos*', 'general of the army'. In the modern context, strategic planning may have come from the Harvard Policy Model developed by the Harvard Business School in the 1920's. The Harvard Policy Model is often considered one of the first strategic planning methodologies for private businesses. The model defined 'strategy' as a pattern of purposes and policies that acts as a common thread or underlying logic that holding a business together. Strategy weaves a pattern that unites company resources, senior management, and market information. This sort of comprehensive, embodiment approach was lost for a while. In the 1950's, the strategic planning's focus shifted away from organizational policy and structure toward a better way to organize day-to-day management. The focus was on how to ride herd on things like shifting markets and competitive threats that lead to risks and opportunities. This kind of strategic planning became a common and accepted management tool in nearly all Fortune 500 companies, as well as many smaller companies (Blackerby, undated).

Through the 1970's, strategic planning was mainly found in corporations. The primary private sector strategic concerns such as market share, customer service,

advertising, industry growth, and risk management were not salient to local governments. Federal and state bureaucracies focused on program planning. The result was often an emphasis on internal concerns or program inputs such as taxes, fees, funding, staffing levels, waste, and fraud. Eventually, those saying to run government more like a business and get more 'bang for the buck', changed the focus from inputs to outputs (Blackerby, undated).

Former Ford Motor Corporation Wiz Kid and President, and, later, U.S. Defense Secretary Robert S. McNamara advocated scientific management. He promoted the above-mentioned trend in strategic planning by connecting planning activities to the budget through program budgeting, and ultimately the planning, programming, budgeting system (PPBS). Other private sector initiatives considered for adoption by the public sector were zero-based budgeting, reengineering, total quality management (TQM), and continuous quality improvement (CQI). At the time, this author heard a Ford executive voice a familiar refrain: 'The private sector has been working hard to reestablish competitiveness in a rapidly changing world. It is about time that the public sector (in the U.S.) did the same'.

At the local government level in the U.S. the word 'planning' tended to refer to urban planning.

Paradoxically, one of the peculiarities of local public management in the U.S. has to do with the nature and history of the urban planning profession. This aspect has not always been reflected in the U.S. public administration literature because the public administration professional organization and the urban planning professional organization seldom communicate and cooperate.

Urban planning in Europe has had deep roots in the design professions of architecture and landscape. One can argue that this goes back centuries. The result has been that city planning usually focused on design and the physical aspects of urban structure such as the location of streets and buildings, street design and streetscapes. This tradition carried over into Latin America and Asia is still salient today, although changing.

The same tradition was initially prevalent in the U.S. Things like the L. Infant plan for Washington, D.C (1791), the Commissioner's grid iron street plan for New York City (1811) and the Columbia Exposition in Chicago (1893) were evidence of that design orientation (Campbell, 2015). Yet, these were long before the formalization of a planning profession and professional organization. A transition took place at an earlier stage of the U.S. planning profession toward the concept of comprehensiveness than in Europe. A comprehensive plan looks at the long-term and interconnected implications of nearly all facets of local government.

So, the different path of the US urban planning profession is, perhaps, because it had a different kind of origin. Urban planning in the U.S. grew, in part, out of the municipal reform movement (Wheeland *et al.*, 2014). The municipal reform movement was a part of a more general reform era often called the Progressive Era (Clingermayer and Feiock, 2001). The U.S. Progressive Era was from approximately 1890 to 1919.

The Progressive Era included the tenement house movement, the nursing movement, women's suffrage, civil service reform, increased focus on urban sanitation and an aggressive attack on corruption in government, particularly in cities (Cocks, Holloran and Lessoff, 2009).

2.1. The City Manager movement

A significant result of the municipal reform movement was the creation of the city manager movement. Wealthy businessmen were often the promoters of the city manager movement. These 'city fathers' were disturbed by the existence of big city political bosses. Those political bosses were able to remain in power and keep control of the city legislative body by doling out patronage as a way of building a political campaign structure. This sometimes involved corruption and influence peddling. Much of the blame for the inefficiency of government was put on 'politics' and the political class (Stillman, 1974).

The solution was perceived to be to reduce politics and increase objectivity in government. One component of the municipal reform movement and the progressive era was the creation of municipal research bureaus, as local independent, non-profit organizations to act as watchdogs over the political class. The business community and wealthy city fathers funded municipal research bureaus. Their job was to point out waste in government, promote efficient processes and look out for corruption.

A second related component of the municipal reform era was promotion of the use of scientific management principals. A third component was an attempt to professionalize city managers and other municipal employees through education, mid-career training, and the creation of professional organizations with codes of ethics. The creation of a professional civil service to reduce patronage and increase competency was another part of the Progressive Era.

And, the most important component of the municipal reform movement has been the creation of a city manager position within a city manager-form of local government. Some characteristics of the city manager form have been: 1) no separation of powers; 2) a city council elected at large so as to reduce conflict between parts of the city and promote consensus on the council; 3) a professional city manager hired by the council, not elected; and 4) department heads under the city manager rather than under an elected mayor.

Theoretically, the council is only supposed to deal with policy issues, with day-to-day management left to the city manager. Not only is the council elected at large, but, the terms of council members are staggered to create greater stability and continuity. Also, theoretically, the city manager is to be a trained, full-time professional manager who does not get involved in politics or even policy debates. He/she focuses on day-to-day management. The manager serves at the pleasure of the council and is subject to periodic management performance reviews.

The not-so-hidden agenda of all of these characteristics of the city manager system is that politics is dirty and the political class is not to be trusted. The municipal

corporation should be run more like a private corporation, with scientific management principles applied whenever possible.

That the city manager movement is still strong a century later is a testament that many of these perceptions underpinning the movement were correct, at least in some circumstances in the U.S. (Otis, 2007). However, most cities and most local governments have not adopted this style of governance. The debate between the city manager form and the traditional strong mayor form centers on the ability of a democracy to make a distinction between several concepts. They are: 1) politics; 2) policy; 3) administration; and 4) management. While most people feel that they understand the differences, this debate continues in the field of public administration. Certainly, large areas of definitional overlap exist between the four. The debate conjures up many other issues such as how much technocracy is a good thing, and what are the basic tenets of scientific management.

Formalized urban planning in the U.S. also grew out of the Progressive Era. The tenement house movement and the concern for greater sanitation in big cities lead in many ways to building codes, housing codes and the concept of zoning as a way of managing overall urban development, connecting it to issues of health and safety. The New York State Tenement House Act was passed in 1901. The first formal planning commission was started in Hartford, Connecticut in 1906. Harvard offered the first course in urban planning in 1909. The first zoning ordinance was in New York City in 1916. The American City Planning Institute began in 1917 (Campbell, 2015). In part, because of their common origins in the Progressive Era, city managers and city planners in big cities were perhaps more aligned in their thinking at an earlier stage that was true in Europe.

In the 1980's when the public sector was looking to the private sector for new management tools, strategic planning became popular in the public sector. At this time city managers often looked to the city's planning office to undertake the creation of the strategic plan. In many cases, the planning office was the aggressive promoter of the idea of doing strategic planning. The strategic planning process fit in many ways with the long-range planning process that professional urban planners were trained to use. Strategic planning became a subject taught in university urban planning programs in the 1980's.

Goal setting, interdisciplinary analysis, the identification of problems and opportunities, looking comprehensively at the interconnectedness and mutual synergy of city function such as transportation, housing, parks, water and sewer, employment and economic development were already a part of the program for planning professionals. Expanding these functions to social services, recreation, and health care was not such a jump.

Strategic planning demanded a different time frame from the long-range (30-year) planning typically done by urban planning offices, and greater impetus to take action in the short-run. But, planners in the 1980's were often anxious to embrace the shorter time horizon so as to see their plans come to fruition.

3. How strategic planning is done in the U.S.

3.1. Strategic planning as a tool

Perhaps as a result of the historic precedents, the use of strategic planning as a community planning and management tool has become more prevalent. Once thought of primarily as a business tool, strategic planning has become popular in the public realm, especially for local communities faced with ever-tighter fiscal resources while trying to maintain or enhance the quality of life (Hințea, Hamlin and Hudrea, 2013).

In an environment that is increasingly complex and dynamic, communities are constantly facing the two predominant policy exercises – problem solving and opportunity creation. Both demand attention and resources. How best to address both of these, often at the same time, requires tools, skills and a defined methodology that can address what are essentially both sides of the same coin. While there are numerous opinions and thoughts on this topic – the one methodology that has demonstrated its utility is strategic planning.

Strategic planning is an action-oriented process and methodology that can bring together four very critical elements of any problem solving or opportunity creation situation: what to do, how to do it, what to do it with, and finally, when, or by when. It provides for a disciplined focus on the issue at hand, and creates the right environment for developing an appropriate strategy. Strategic planning is a methodology designed for results.

3.2. The relationship to community planning and management

Early endeavors at wide spread community planning and management in America, i.e., the 1950's through 1970's, were focused primarily on the comprehensive plan. The first nation-wide creation of city master plans was the result of funding by the US Federal Government under section 701 of the Housing Act of 1954. The comprehensive plan, or master plan as it was sometimes called, is a long-range vision for the desired development and quality of life for a community. Included in this vision has been the attempt to look at the needed short and longer term capital investments that would be required to implement the plan. This has been embodied in the Capital Improvements Program (CIP), a six-year program that reflects the type and level of capital necessary to realize that vision. The CIP has been a formal part of the comprehensive plan. This comprehensive plan and CIP thus became the principal planning and management tool for communities for nearly three decades.

The mid-1980's saw a major shift by local planners and policy makers on how best to plan for, and manage communities. The 1980's experienced rapid shifts in technology, community demographics and community economies. People and industries were becoming more mobile. U.S. core cities were aging in people and infrastructure, and technology was changing everything from communication to how and where things were made. These changes were occurring more rapidly than in

the past, and planners and policy makers were facing more rapid changes in their communities. Just as in the corporate world, communities found themselves in fast-moving competition with one another as a mobile population and highly mobile financial capital could move quickly from one to another. It was becoming more difficult to maintain the long view when the short term was changing much more quickly. Focusing on the short term, and addressing these rapid changes became the priority. Communities were seeking solutions rather than visions.

Community planners, in response, shifted their focus from long-range planning to shorter-range problem solving. Identifying and solving problems in the near term (three to five years) took precedent over twenty-year-horizon dreaming. Just as in the corporate case, the strategic planning model, particularly the SWOT version, became a primary tool for planners and policy makers for the next 15 years. Strategies replaced visions and problem solving replaced opportunity creation.

While appealing to policy makers, this short-term, problem-solving focus began raising questions and issues within the communities on the effectiveness of the strategies when done within the vision 'vacuum'. That is to say, the communities were beginning to ask 'is the solution to a problem consistent with where we want to go as a community?' Even worse – do we know where we want to be as a community? There became a growing concern that too much emphasis on short-term, strategic planning was causing communities to lose sight of a longer-term end game – or vision. Without the vision did any of this make sense?

In this sense, public strategic planning went through a similar cycle as it did in the business world. Instead of the overwhelming emphasis on SWOT, strategic planning returned to its roots of focusing on organizational values, mission definition, goals and objectives. It returned to defining the interwoven policies and beliefs that justify the organizations existence and what holds it together.

3.3. Creating the right tool – the marriage of city planning and strategic planning

While logic might say that combining comprehensive planning and strategic planning makes sense and should have been the model from the beginning, the reality is that both management tools were developed with different end games in mind. Comprehensive plans were meant to create the visionary end game – a community values document – rather than a road map. Comprehensive plan implementation was viewed more as a set of activities meant to permit the vision to occur – not direct it. Likewise, strategic planning was a model designed to address an issue in the intermediate term – a resource management tool of sorts. Strategic plans may have had the obligatory vision statement but at the community level they were not so much visionary as action documents.

Combining both tools into a broader community planning and management process is the great advent of the new millennium. The process combines the process of creating not just a vision statement but also, the visible vision of the future community with all of the interconnected parts and with the necessary road map to

get there. A community vision will contain many goals and outcomes that can be both varied and complex. Creating strategic plans for some or all of these varied goals and outcomes helps set the agenda and coalesces the resources necessary for them to be realized. The following sections will offer a glimpse at how strategic planning now has an important role in what we now call community planning and management.

3.4. The relationship to long-range planning

Long-range planning is embodied in the community's comprehensive plan. The plan identifies a set of community goals and objectives that paint the picture of what the community will look like or can expect in the next twenty years. On its own, the comprehensive plan doesn't cause change – it allows change or encourages it to occur. It's the canvass on which the community will be painted.

Strategic planning will help bring the comprehensive plan to life. A specific strategic plan can be created for each community objective that is identified in the comprehensive plan. Each specific strategic plan contains the four answers mentioned earlier for an objective answering: what to do, the how to do it, the what to do it with and by when. It is a multi-year community work plan in a sense. The structure would look something like this:

Community goal;
Measurable objective;
Actions;

with each action describing who, where, what, when, why and how, and identifying persons and resources needed to succeed (Lyons and Hamlin, 2001).

There can be a strategic plan or plan component for each objective, or for those having the highest priority at the time the comprehensive plan was prepared. If each strategic plan is designed to be a three to five years strategy, then every five years the comprehensive plan can be revisited and other objectives can be placed under a strategic plan.

3.5. Strategic planning is a community planning process

As a community planning and management tool, a strategic plan is a community planning process. Like the comprehensive plan, each strategic plan needs to be created and vetted by the community through public engagement and oversight. This can be accomplished in two ways:

1. At the comprehensive plan stage: Generally, the public is engaged in a broad sense when the comprehensive plan is first prepared. Because there is maximum community attention at this stage, it presents an opportunity to take advantage of that attention by discussing any or all strategic plans. Sometimes this can be difficult if the discussions and strategies require more time and attention that may detract from the overall planning process. What may have greater value at this stage is to conduct a public discussion that prioritizes the objectives and

helps to identify which objectives should be part of the first set of objectives to undergo a strategic planning process.

2. Following the adoption of the comprehensive plan: A more common approach is to identify during the comprehensive planning process those objectives that can be prioritized and then identified as candidates for the first round of strategic plans. A separate process can then follow and each objective that is prioritized can be subjected to a more detailed public discussion. Often time this includes establishing a citizens' committee to work with the planning staff to create each individual strategic plan.

Putting each strategic plan under a separate process is more useful since a strategic plan is much more detailed and requires a more intense discussion and format than that typically conducted for a comprehensive plan.

3.6. Preparing a strategic plan

As discussed earlier, a strategic plan is an action plan that is meant to accomplish a specific objective (Lyons and Hamlin, 2001). Working with a well-described and understood objective, the action part of the plan will address these specific elements:

- a) Specific Metric: what is actually going to be accomplished;
- b) The Tasks: what specific task will be undertaken and completed;
- c) Timeframe: the times required for each task (no more than five years);
- d) The Who: what specific organizations and/or people will be assigned to the tasks and will be held accountable;
- e) Funding: what amount of capital will be required, the source of the capital and by when;
- f) Measurement: what measurements will be required, and by whom, to make the determination that the strategic plan was accomplished.

A workable strategic plan needs to contain all of these elements – not some – if it's going to be useful and understood. Careful attention needs to be applied to each element and avoid any ambiguities. A clear, complete and well thought out strategic plan helps ensure a successful outcome and accountability.

3.7. Identifying resources

One of the great advantages of a strategic plan over other management models is the combining of actions with resources. A well-prepared strategic plan will provide great detail regarding the required resources that will be necessary to successfully complete the plan. The resources required may be varied or challenging – but the odds for obtaining them are greatly increased when they are initially identified and clearly defined.

Typically, the resources can be grouped in the following manner:

Capital funding sources: Where funding is involved – either in the planning or development, the amount and source need to be identified. Included here is the timing

of the funds so that a schedule is put in place to acquire the funds as they are needed. When identified, the capital sources and schedule become part of the community's Capital Improvement Program (CIP). This step is a two way validation process: 1) being a part of the CIP helps to strengthen the role of the CIP in the comprehensive planning process; and 2) being a part of the CIP strengthens the community support for the Strategic Plan.

Human resources: Each strategic plan will likely require people for its implementation. The strategic plan will identify what the human resource requirements are and by when. This enables community managers to allocate the necessary human resources where necessary and helps to budget them during the normal budgeting process.

Public-private partnerships: Not all capital funding can or should come from the public sector. In many cases a strategic plan will look to the private sector for both participation and resources. Often times the private sector resources will be sought after through a public-private partnership. The nature of the partnership and the extent of the private resources should be clearly spelled out in the plan.

4. Strategic planning: Case study, East Lansing, MI

East Lansing, Michigan is a small but progressive city that is a part of the Lansing metropolitan area. The metropolitan area is often referred to as the Capitol Region because it contains the capitol building of the state of Michigan and the central offices of the Governor, the court system of Michigan and the headquarters of most of the state's bureaucracies. The state of Michigan has a population of a little less than 10 million (9.91 million in 2014), about the population of Greece, Hungary, Sweden or the Czech Republic, and approximately twice the size of Slovakia, Norway or Ireland. The budget of the state of Michigan is approximately \$22 billion, not counting local government budgets or the U.S. Federal Government's contribution to or activities in the state (about the same as Slovenia)(The World Factbook, undated).

In 2002 the City of East Lansing initiated the process to prepare a new comprehensive plan. Up to that point the city was working off of a series of targeted strategic plans that focused on a broad range of topics: senior housing; downtown redevelopment; neighborhood revitalization, etc. This shotgun approach, while attempting to address significant needs, lacked the cohesive vision and consensus that is essential in arriving at the appropriate solutions. This was becoming a community-wide sentiment. Likewise, the professional planning staff was encouraging policy makers to shift away from purely short-term thinking to a broader-based approach of creating a community vision (comprehensive plan) to include a community-based consensus on a prioritized strategic planning process. Creating a hybrid approach can, in the end, provide for a more rational program for community planning and management.

4.1. The 'Big Picture'

The first step in the process was the creation of the comprehensive plan. Dubbed the 'Big Picture', the community and planning staff embarked on an extensive public process of establishing the long-range (20-year) vision for the city. The city was divided into seven neighborhood-planning areas. Each planning area underwent significant analyses, data collection and received the attention of numerous public meetings over the course of twelve months. At the end of the process the seven planning areas were combined into an overall vision, and underwent another year of community-wide public meetings. Out of this process emerged a community consensus on its future, and where the community wanted to be in the next twenty years. Included in this vision was a consensus on specific outcomes the community wished to see occur through a series of strategic plans designed to move the community towards its vision.

4.2. Strategic plans: East Village and Avondale Square

The 'Big Picture' comprehensive plan identified several topics and subject areas that the community expressed a desire to see put into a strategic planning process. Two will be mentioned here.

East Village: East Village is a thirty-five acre area bordering the Michigan State University campus on two sides. Michigan State University is a public university with an enrollment that fluctuates between 40,000 and 50,000 students. The central campus is about three kilometers square of university buildings with an additional 3 square kilometers of experimental farms. The East Village area initially developed in the 1950's and 60's in response to the rapidly growth of Michigan State University. East Village was subject to significant disinvestment, and became exclusively a student-rental community. The 'Big Picture' document focused on the East Village district for potential redevelopment as follows:

Vision – 'This area presents an opportunity for redevelopment to benefit the City and the University. The plan encourages the formation of a unique environment that mixes housing, office, shopping and dining in a university-oriented enclave designed to attract not only students but young professionals, empty-nesters and others'.

In support of this vision for the area an objective was defined which directed the creation of a detailed strategic plan: 'Action 2-12: Provide economic incentives to support implementation of the East Village Redevelopment Plan'.

With these directions from the 'Big Picture' document, the community initiated a strategic planning process to implement an East Village redevelopment plan. The process included:

1. The formation of a Citizen Committee to oversee the planning process;
2. The creation of a detailed redevelopment plan and strategy;
3. The completion of a process to select a Master Developer through a public-private partnership;

4. The delineation of a time line and accompanying responsibilities; and
5. The preparation of a budget – of which the public investment became part of the Capital Improvement Program (CIP).

Avondale Square: Avondale Square is a redevelopment project located in a historically student-rental dominated area. Recent new student apartment developments in other parts of the city and region greatly reduced Avondale as an attractive location for students. The housing units were old and small, and landlord disinvestment became obvious. Under the 'Big Picture' planning process this neighborhood received significant attention. A vision for the city's future suggested this area be redeveloped and returned to an owner occupied neighborhood. The document said:

Vision – 'Creative ways should be pursued to increase the number, sizes, styles and values of owner occupied single family homes in this area to attract families with children'.

Objective: 'Promote incentives for the conversion of homes from rental to owner-occupied homes': Action 1-2.1: 'Through the City's Community Development Block Grant Program, redevelop the 600 block of Virginia Avenue into new owner-occupied homes'.

Under this direction the planning staff, with community input, prepared a strategic plan that put into motion the city's program to create what is now called Avondale Square.

The strategic Plan included:

1. Specific required activities;
2. The persons and organizations necessary to implement the strategy;
3. The required sources of capital (funding) and the timing of that funding;
4. The process for selecting private partner and capital; and
5. The preparation of a budget – of which the public investment became part of the Capital Improvement Program.

4.3. Strategic planning as a human resource planning and budgeting tool

The use of strategic planning in community planning and management is helpful in establishing municipal staffing and budgeting. Because strategic plans are resource based – people and funding – this approach allows for determining the appropriate staffing levels and funding required over the next three to five years. Strategic planning becomes a 'Work Program' in the sense that the sum total of the pre-determined strategic plans provides managers with the guidance that is helpful in determining and managing their resources. The evolution of city planning in America has changed the way planning departments work today. Most agencies, while periodically preparing a comprehensive plan, are focused on the action-oriented activities that a plan now dictates. Strategic plans therefore have become the tool that helps planning agencies best allocate its resources.

5. Conclusion

Strategic planning started in the U.S. as a corporate planning endeavor. By the 1960's, strategic planning had become a major corporate management tool in nearly every company in the Fortune 500. At first, strategic planning was seen as a way of interweaving policies, values and purposes together with upper management, resources and market information in a way that held the organization together. It was actually seen by the business world as promoting long-term and synergistic thinking. By the 1950's the concept was simplified somewhat to focus on SWOT-type analyses as a way of keeping the corporation afloat in a more turbulent world.

The public sector has been under pressure for a long time to become more efficient, effective and responsive. Many have felt that the adoption of many business management practices would help to accomplish that. One tool borrowed from the business world has been strategic planning.

At the local government level in the U.S. strategic planning became popular starting in the 1980's. In many communities, the planning office of the community was called on to lead the strategic planning endeavor, and in many cases, the planning office was one of the advocates of the process. Urban planning offices had been doing long-range comprehensive community plans for decades, but planners became frustrated as the speed of change in the economy and the urban social environment required a more rapid action-oriented response to change. Communities found themselves increasingly in competition with one another and with counterparts throughout the world.

Urban planners in the U.S. had always been somewhat less oriented toward architectural design and physical urban development and more comprehensive in their outlook than their European counterparts. As such, they worked more closely with the day-to-day management of the city and immediately saw the benefits of strategic planning.

After about 20 years of this trend, some communities began to realize that the visioning process of a strategic plan fit well with the long-range plans that they had always engaged in. Increasingly, long-range planning (20 to 30-year time horizon) combined with more action-oriented planning (5-year timeframe) can be an ideal community planning, development, and management methodology. The capital improvement program, five-to-six-year plan for financing and building needed community infrastructure also fit well into this system, with all components of the community planning process being updated annually or regularly and involving extensive citizen input.

In the city of East Lansing, Michigan, U.S., comprehensive community plans are the result of a multi-year visioning process and call for action-oriented, strategic plans to be formulated with respect to targeted parts of the community. These plans convert the vision to a plan of action including identification of actors, resources and timelines.

The conclusion is that local community strategic planning is quite different from that of a corporation. A full and complete community planning and management process must start, not with the typical generalized visioning statement, but with a full long-range, comprehensive plan that provides the citizen's vision of the 20 to 30 year future of the community, in terms of size, density, economic structure and quality of life of the citizens. Through the establishment of goals and measurable objectives, specific activities, such as the redevelopment of certain neighborhoods, or the expansion of certain business sectors, are then targeted for the creation of shorter-term action plans which in themselves function like strategic plans. The entire process should be updated regularly with significant citizen input.

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