

ASSESSMENT OF THE STRATEGIC PLANNING LEVEL IN THE COMMUNES OF THE MALOPOLSKA PROVINCE

Łukasz Satoła

University of Agriculture in Krakow

Abstract. Strategic planning is one of a very important areas of local government. Prepared strategic documents facilitate the efficient carrying out community development policy. The most commonly prepared planning documents are: development strategies, long-term financial plans, long-term investment plans, plans of local development and village development plans. The article pointed out the large variations among municipalities in the implementation of the strategic management tools. It also stressed that to ensure the usefulness of strategic plans for the creation of local economic development is necessary to take into account the stage of their preparation for specific problems to be solved. The basis for the formulation of strategic plans of municipalities should be bottom-up initiatives. It should not be the administrative necessity of their possession.

Key words: commune, development strategy, long-term financial plan, planning, public management, strategic management

INTRODUCTION

The management of communes as the public sector entities is undergoing an evolution from the administration model towards the more active and, first and foremost, effective method drawing on inspiration from the management of commercial entities. This results from noticing of the fact that communes, just as enterprises, operate in a competitive environment. Their competitiveness is understood as the ability to realise adopted objectives on the market in a proficient, efficient, and cost-effective way [Gralak 2008, Kieżun 1998].

In effect, the reforms of the public sector entities management have led to the creation of the New Public Management concept (NPM) (Pl: *Nowe Zarządzanie Publiczne – NZP*). The assumptions of this management model focus on the improvement of the effectiveness of public resources management achieved by creation of market relations and competition in the scope of the provision of public services [Bailey 1995].

Corresponding author – Adres do korespondencji: Łukasz Satoła, Katedra Zarządzania i Marketingu w Agrobiznesie, Uniwersytet Rolniczy w Krakowie, Al. Mickiewicza 21, 31-120 Kraków, e-mail: lsatola@ar.krakow.pl

The fundamental areas of interest inherent to the NPM model include strategic management, public organisations operation management, personnel management, and financial management [Zalewski 2005]. The strategic management ought to cover a number of functions related to the strategy preparation and implementation, project management, monitoring, assessment and control as well as finance management [Klasik 2000].

Strategic planning in public organisations requires that the consensus of all persons, social groups, organisations, and institutions involved in their functioning is reached. Reaching such an understanding constitutes a substantial condition for the success of not only the plan creation procedure proper, but also its effective realisation [Bryson 1988]. It is of fundamental significance for organisations management interpreted as the effective pursuance of realisation of assumed objectives.

The implementation of the strategic management concept in the public sector encounters some reservations as well. They can be brought down to the following [Hughes 1998]:

- The lack of the possibility to precisely define objectives, due to the different conditions of operation of public organisations,
- Rotation of authorities translated into the short time horizon of management,
- The issue of liability for the operation of public institutions.

The listed reservations may by no means be treated as a premise for forbearing the long-term perspective planning in public units, they should only point at the necessity of taking a certain specificity of the sector's functioning into consideration.

Satisfactory results in the creation of development on the territorial self-government level are strictly related to the proficiency in their management understood in the categories of know-how and skills in the management of resources, processes, and flow of information with the view of the optimum use thereof [Gralak 2008].

The objective of the study is to make an attempt at the assessment of the level of advancement of strategic planning in the basic-level territorial self-government units of the Malopolska Province. It was also resolved to verify the hypothesis proposing that in the units located on the peripheries in relation to the province capital the status of the use of strategic management tools is lower than in relation to the communes located closer to the centre.

MATERIAL AND RESEARCH METHODOLOGY

The material for the analysis was provided by the results of questionnaire polls conducted in the communes located within the territory of the Malopolska Province. The questionnaire polls were conducted within the years 2008–2009 on the population of 132 units which included 96 rural communes and 36 entities with the status of an urban-rural commune.

Only the units with the rural or urban-rural commune were qualified for the purposes of the analysis. This resulted from the need to maintain the comparability of objects subject to the research which was of particular relevance due to the nature of obtained information. Boroughs [urban communes], mainly due to the size and size-related features could at least distort some of the obtained results.

The analysis included the fundamental strategic planning instruments used in the practice of functioning of the territorial self-government units in Poland. They included: development strategies, long-term financial and investment plans, local development plans, and Village Development Plans (VDP).

RESULTS AND DISCUSSION

Although in a large part of Polish territorial self-government units, the strategic planning is not an altogether new phenomenon, nevertheless, prepared strategic documents are characteristic for their diversified quality [Słodowa-Hełpa 2003]. Also the types of strategic plans being prepared, their scope, their character as well as the objectives of preparation are diverse. Admittedly, the Act on Commune Self-Government [1990] does not impose a direct obligation to prepare the development strategy on the territorial self-government units of the basic level, nevertheless the said act already features provisions from which it follows that the development policy is conducted by various entities depending on the scale, including – on the local scale – the poviats and commune self-government. The subsequent article of the mentioned Act already features the provision stating that the basis for conducting the development policy is the prepared development strategy.

Regional development and the regional development strategies used for the purposes of their realisation in Poland are treated as an integral part of the broadly understood question of the development of the entire country. Such an understanding of the regional development strategies, although pointing to their key significance for the realisation of the objectives adopted in the scale of the entire country seems to be somewhat exaggerated. The first reason for such an opinion is the existing discrepancy between the economic objectives of the administrative reform of the country and the entire public finances system. The increase of the significance of the self-government units (located closer to the citizen) in the decision making process focused on solving residents' problems, which was declared at the introduction of the administrative division of the state, in its assumptions was to facilitate the improvement of effectiveness of provision of public services. However, in order for this to become a fact, it is necessary to transfer adequate financial resources to the lower levels of self-government with the view of realisation of specific projects. The heretofore experiences related to the decentralisation of public finances, however, indicate the inadequacy of the financial means transferred from the central budget to the regional and local level in relation to the public tasks ceded thereon. In consequence, it only results in the substantial limitation of the financial self-sufficiency of self-government units [Pyszkowski 2003].

The next issue with a limiting impact on the possibility of the interpretation of the issues of the country's development seen through the prism of the regional development strategies is the existing dichotomy between the hierarchy of objectives on the regional and local levels of the territorial self-government. Local self-governments aware of many needs and unsolved problems, sometimes even of a civilisational nature, in their strategies focus mainly on the creation of the best possible conditions of living for their residents and on the development of economic activity within their own territory. They compete with one another to attract, among others, entrepreneurs to their territory and due

to the development of their companies strive for the creation and extension of the local economic base. Meanwhile, the province's self-government is obligated to conduct such intraregional development policy the objective of which would be to equalise the disproportions between individual territorial units. Hence, it is visible that the regional and local levels of the territorial self-government operate at cross-purposes.

The assessment of the status existing in the area of the use of the strategic management by the territorial self-government units in Poland focuses on two levels mainly: self-governing provinces and communes. However, this does not signify the elimination of the intermediate level – the *powiat* – from among the entities able to draw up and implement the specific long-term planning tools. It is rather related to the fact of relatively very low financial self-sufficiency of the Polish *poviats* which results in the significantly limited scale of making use of the strategic management methods in the actual administration of a territorial unit by this level of self-government [Ziółkowski 2005].

The communes located on the territory of the Malopolska Province are characterised by a high diversification in terms of many characteristics in the level of the social and economic development, entrepreneurship, local economy structure, employment, infrastructure, self-government's financial standing, etc. These differences are noticeable also in relation to the level of use of the planning functions in the commune management with consideration of the long-term time horizon. The collective specification of the strategic documentation used in the communes of the Malopolska Province with keeping the division into rural and urban-rural units is to be found in Tables (1 and 2).

Table 1. Specification of strategic documentation used in a group of rural municipalities in the Malopolska Province

Tabela 1. Zestawienie wykorzystywanej dokumentacji strategicznej w grupie gmin wiejskich województwa małopolskiego

Type of owned strategic documentation	Number of entities	Share in population [%]
Development strategy	81	84.38
Long-term financial plan	61	63.54
Long-term investment plan	32	33.33
Local development plan	77	80.21
Village development plan	49	51.04
Other	25	26.04

Source: Own study.

Źródło: Opracowanie własne.

In the rural communes group, the most popular document was the development strategy (more than 84% of the indications), although only four units fewer admitted that they possessed the local development plan. Such a high popularity of this second document was certainly a derivative of the fact that the research was conducted already after the end of the period of implementation of assistance programmes co-financed from the EU structural funds from the so-called first financial perspective (2004–2006). During this period, it was the key document constituting an attachment at applying for the external assistance funds in the frames of the provincial component of the Integrated Regional Operational Programme (IROP).

Decidedly fewer communes had long-term financial plans (PI: WPF) most often constructed in the form of long-term forecasts of incomes and expenditures of local budgets. Against this background, it is worth highlighting that only every second unit from among those with long term financial plans declared the preparation of long-term investment plans (PI: WPI). On this basis, it is possible to come to the conclusion that although forecasting of basic financial categories of the budget does not present communes with excessive difficulties, then the proper formulation of development objectives based thereon along with their inclusion in the form of coherent investment projects is not such an easy task altogether. The reason for such a state of affairs may be the lack of the long-term vision of development of the local community which in time may be translated into making investment-related decision not on the basis of the earlier established hierarchy of strategic objectives, but caused solely by the current needs or being solely a derivative of political calculations.

All the above-analysed strategic documents within their scope included the matters concerning the territory of the entire commune and this is why creating them required that the postulates of all the players of the local self-government scene be taken into account. In many a case, their interests are contradictory, especially when substantial financial outlays are required for their realisation which, with the limitations of local budgets, is almost a commonplace phenomenon [Kozuch 2008]. Then, the ability to arrive at consensus and to set such task priorities is required so that in the first order consensus-reaching skills are required in order for the tasks which stand the biggest chance at dynamising the local development processes to be first qualified for implementation.

The only document developed and implemented at the level lower than the entire commune is the village development plan. Such plans, as intended by the legislator, were to facilitate the creation of grassroots local initiatives on one hand based on the detailed diagnosis of possessed resources, including historical assets, assets related to the natural environment, human capital, and the local material base while on the other on identification and analysis of projects the realisation of which would be to constitute the solution of very relevant developmental issues at the lowest level. The institution of the Village Development Plan was also aimed at creation of the possibility for local circles to come forth with concrete investment project proposals addressed to the decision-making bodies on the level of the commune.

The Village Development Plans were drawn up in only half of the units subject to analysis. It is not a high result, nonetheless, it should be born in mind that the construction of this document was a substantial *novum* for residents of the decisive majority of localities and the adaptation of this innovation requires time. So far many plans concerning the residents' affairs have been formulated as if from above by the commune self-government, in many cases even without the necessity for direct involvement of the concerned parties. Although it stood in contradiction with the declared principles for the creation of such documents, nevertheless the practice of local self-governments' operation in this respect, frequently consisting in commissioning the preparation of the plan by an external entity, pointed to the application of other solutions in reality. A certain improvement in this area may be caused by the implementation of certain tasks in the frames of operational programmes and also of the Community initiatives oriented on the financial support for grassroots initiatives intended at animation of development processes on the local scale.

In the group of other strategic documents, the most frequent answer were the declarations related to local zoning plans. These were documents in the decisive majority developed for the territory of an entire commune. Other plans with the long-term time horizon were the strategies for solving local social problems, water supply and sewage management plans as well as solid waste treatment plans.

Table 2. Specification of strategic documentation used in a group of urban-rural municipalities in the Malopolska Province

Tabela 2. Zestawienie wykorzystywanej dokumentacji strategicznej w grupie gmin miejsko-wiejskich województwa małopolskiego

Type of owned strategic documentation	Number of entities	Share in population [%]
Development strategy	35	97,22
Long-term financial plan	25	69,44
Long-term investment plan	12	33,33
Local development plan	34	94,44
Village development plan	21	58,33
Other	22	61,11

Source: Own study.

Źródło: Opracowanie własne.

The use of the strategic documentation in the commune management was a lot more popular in the group of urban-rural units (Table 2). Declarations related to the possession of long-term plans in each of the groups separated in terms of the type of the strategic documentation shaped at the higher level compared to the population of rural communes (compare: Table 1).

Merely one of the urban-rural communes covered by the study did not have a development strategy whereas in two cases the lack of the local development plans was indicated. It is worth noting here that the lack of this document does not necessarily have to be perceived in negative categories from the present time perspective since it was a document that in case of applying for the financing of projects from the European Union Funds was treated by the unit implementing the Integrated Regional Operational Programme as a mandatory attachment. Along with the end of the previous financial perspective 2004–2006 and the beginning of the new one (2007–2013), fundamental changes took place in the scope of the form of the operational programmes used to implement the EU funds. The said changes resulted in the lack of the necessity to present local development plans along with the remaining application documentation at applying for the external sources of financing within the frames of the regional programmes.

Almost 70% of the communes where the polls were conducted declared the possession of long-term financial plans whereas merely every third from the urban-rural unit group developed and implemented a long-term investment plan. Such a relation between these two instruments for the long-term strategic management of the commune's finances points to the fact that it is decidedly easier for the self-governments of urban-rural units to plan their incomes and revenues while the development of the plan of projects of an investment nature along with the indication of the sources for the

defrayal of necessary outlays presented them with many difficulties and for that reason the communes decided to engage in such activities significantly more seldom. A similar situation was true for the rural communes group (compare: Table 1).

More than 58% (21 from among 36 included in the research) of the urban-rural units developed a village development plan. Admittedly, it is only a slightly higher percentage than in the rural commune populace, but taking into consideration the differences between these two groups of communes in relation to the other strategic plans discussed earlier, one could have expected that also in this case the relative difference would be preserved. The argument that may support the relatively low interest of urban-rural communes in the development of Village Development Plans is the fact that such documents are used to create positive transformations caused by grassroots endogenous initiatives in rural areas. Special attention is due here to the creation of so-called local development centres whose role in the decisive majority is played by the biggest localities in the area and thus – the seats of communes. In case of the urban-rural units these are municipalities. If their population exceeds 5 thousand people, then such municipalities are excluded from the possibility of obtaining financial support in the frames of activities connected to rural revitalisation implemented in the frames of the Rural Development Programme for the years 2007–2013. If such a municipality is the only local development centre in the area of the entire commune, in such cases it substantiates the lack of the Village Development Plan.

Among other documents with the long-term time horizon, the urban-rural communities mentioned the local zoning plans, waste management plans, and social problems solution plans. In the majority of cases, the declarations regarding the possessed local zoning plans pertained to selected villages or even parts (quarters) of a commune seat borough rather than to the area of the entire commune. It must be emphasised that in this group, the answers speaking of developed and implemented plans for co-operation with NGOs were much more frequent. Presumably, this is due to the fact of the higher presence of organisations of this type in the life of the local communities of urban-rural communes in comparison with typically rural units.

The level of use of the strategic documentation in the commune management may be diversified due to the unit size. In big communes, due to the relatively higher number of various developmental problems, it can be expected that the interest in solving them in a coordinated manner shall be higher, and the strategy may be used successfully used for this purpose. The conducted analyses confirm the existence of such an interdependence (Figure 1), although it is not a lasting tendency. Indeed, most often the development strategies were drawn up in the group of the biggest communes (with the population of more than 50 thousand) whereas the units with the population in the range between 10–15 thousand were the second in turn (at least in the sample covered by the study). The smallest units used the strategic management methods most seldom while the difference between the indications in the group subject to the analysis and the comparative data for the whole of Poland was the smallest in this group (69.2% for the researched population against 68.5% of the national average).

What deserves to be emphasised is the fact that in each of the isolated groups, the use of strategic programming tools in communes was at the highest level in the group of the units located on the area of the Malopolska Province as compared against the whole

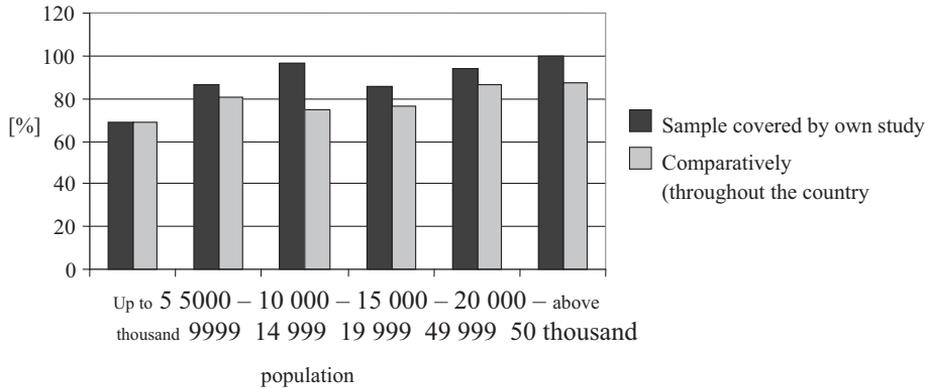


Fig. 1. Possession of development strategy in the communities according to the number of inhabitants

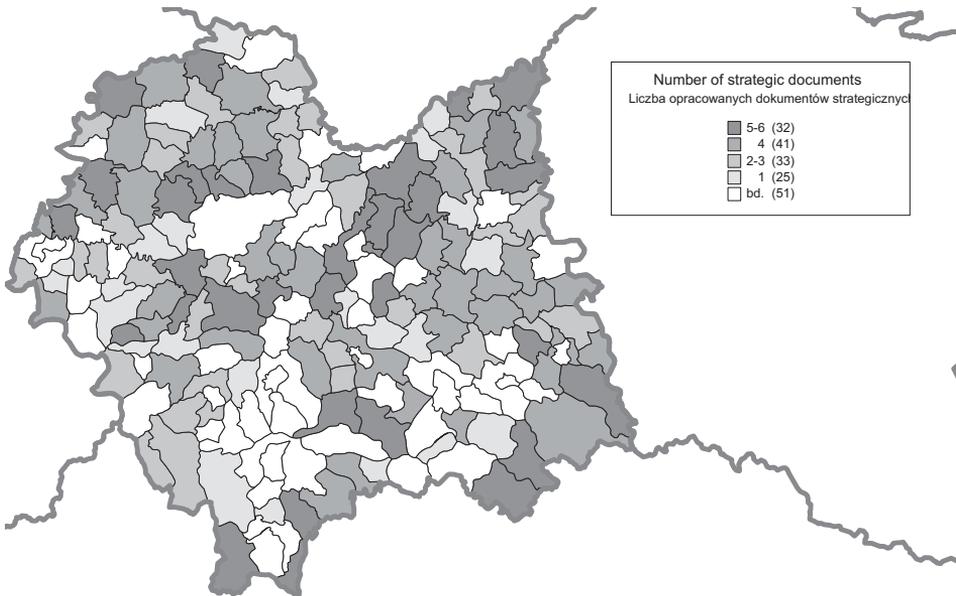
Rys. 1. Posiadanie strategii rozwoju w gminach ze względu na liczbę mieszkańców

* Based on M. Ziółkowski research.

* Na podstawie wyników badań M. Ziółkowskiego

Source: Own study and on the basis of [Ziółkowski 2005].

Źródło: Źródło: badanie własne oraz na podstawie [Ziółkowski 2005].



Map 1. Spatial differentiation in the level of strategic planning in communes of Malopolska Province

Mapa 1. Przestrzenne zróżnicowanie poziomu planowania strategicznego w gminach województwa małopolskiego

Source: Own study.

Źródło: Opracowanie własne.

of the communes countrywide. The differences varied in specific groups and ranged from 0.7 percentage point (p.p.) among the earlier-mentioned smallest communes up to 22.3 p.p. in the group with the population ranging between 10–15 thousand. In the remaining groups of the communes isolated according to their population, the differences between the territorial self-government units from Malopolska in relation to the nationwide data did not exceed 10 percentage points.

With the view of verifying the thesis proposed at the beginning of the essay and declaring that in the communes located on the peripheries in relation to the capital of the province the level of the use of the strategic management tools is lower when compared against the units located closer to the administrative centre of the region, it was resolved to carry out the assessment of the spatial differentiation of the Malopolska Province in the scope of communes' development of long-term time horizons plans (Map 1).

The analysis of the spatial differentiation of the use of the tools for the strategic administration of the territorial self-government units of the basic level has demonstrated that there are no clear regularities in the spatial distribution of communes. Both in the close vicinity of Krakow as well as in a substantial distance from the city, there were units which in their management of local affairs used all the strategic planning tools covered by the study. Such communes occurred in a similar scale on the area of the centrally located Krakow powiat as well as the Dąbrowa, Gorlice, or Nowy Sącz powiats located on the peripheries. Almost analogically, the units whose advancement in the implementation of the strategic management instruments was limited (e.g. communes with only one strategic document) were equally often located in the vicinity of the province capital as well as on the peripheries of the region (e.g. some communes of the Tarnów, Tatra, and Oświęcim [Auschwitz] powiats).

The conducted analysis of the correlations between the distance of the commune from the region's capital and the level of advancement in the implementation of the strategic management tools yielded the results unequivocally pointing to the non-occurrence of the interdependence between the variables (correlation coefficient $r_{xy} = -0.04$). The presented results make one state that the adopted research hypothesis ought to be dismissed and in its place an alternative hypothesis should be adopted – the one stating the lack of the substantial differentiation of the use of the tools for the strategic management of development in the communes following from their location in relation to the administrative capital of the province.

CONCLUSIONS

The shaping of advantageous conditions for the life of the populace and running business operations as well as the active animation of the local development processes occurring at the commune level requires a precise vision of the unit in the future. In the strategic planning, the visions of the economic future of territorial units are materialised in the form of various documents from among which the development strategies enjoy the greatest popularity. As the conducted analyses have demonstrated, the level of advancement of strategic planning in the communes of Malopolska is strongly diversified. The analysis of this state of diversification suggests the following conclusions:

1. The strategic planning tools are more often used by units with the status of an urban-rural commune rather than by rural communes. The source of these differences may lie in the relatively higher level of the socio-economic development of these units and the higher awareness of the local authorities as regards the mechanisms for creation of the local development processes.
2. The communes from the area of the Malopolska Province in general were characterised by the higher advancement level in drawing up of the development strategies in comparison with the data in this scope calculated for the entire country. This constitutes a proof of the higher involvement of the local authorities in activities aimed at the local economic development and, moreover, more frequent thinking in long-term categories.
3. In the scope of the instruments for the strategic management of finances, a dissonance between the long-term financial plans treated as the balance between planned incomes and expenditures as well as revenues and outlays and their instrumentalisation in actual activities serving the purposes of creation of local development is clearly visible which, in this case, signifies the implementation of long-term investment plans. In order to dynamise developmental processes, it would be recommended to use the Long-Term Investment Plans in the management of commune finances in a greater extent.
4. The creation of the local economic development based on the use of the strategic management tools in territorial self-government units, requires that the said instruments are treated not as a formal document, but as a set of coordinated activities serving the purposes of solving a cluster of specific problems. In order for this to be so, the strategic plans must be constructed in a way taking into consideration real needs of a local unit while not in a way that is only a set of activities created most frequently in a response to the legal and administrative regulations imposed from above.

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OCENA POZIOMU PLANOWANIA STRATEGICZNEGO W GMINACH WOJEWÓDZTWA MAŁOPOLSKIEGO

Streszczenie. Planowanie strategiczne należy do bardzo istotnych obszarów działania samorządu terytorialnego. Opracowane dokumenty strategiczne ułatwiają efektywne prowadzenie polityki rozwoju gminy. Do najczęściej przygotowywanych dokumentów planistycznych należą: strategie rozwoju, wieloletnie plany finansowe i inwestycyjne, plany rozwoju lokalnego oraz plany rozwoju miejscowości. W artykule wskazano na duże zróżnicowanie wśród gmin w zakresie implementacji narzędzi strategicznego zarządzania rozwojem. Podkreślono również, że dla zapewnienia użyteczności planów strategicznych dla kreowania lokalnego rozwoju ekonomicznego niezbędne jest uwzględnianie już na etapie ich przygotowywania konkretnych problemów, które mają być rozwiązane. Podstawą do formułowania planów strategicznych na poziomie gmin powinny być oddolne potrzeby/inicjatywy, a nie administracyjna konieczność ich posiadania.

Słowa kluczowe: gmina, planowanie, strategia rozwoju, wieloletni plany finansowy, zarządzanie publiczne, zarządzanie strategiczne

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