PN-ACR-351

A Guide for Local Officials

A USAID funded project in co-operation with the Municipal Training Center in Kaunas, Lithuania and Development Associates of Arlington, Virginia

23865-802-0053

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Copyright 1997 by:
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1997 Kaunas

This handbook was funded by United States Agency of International Development and could have not been developed without the assistance of Development Associates Inc.

KTU Municipal Training Center wishes to express deep gratitude to USAID and Development Associates Inc. for their support and guidance.

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1. FOREWORD

This hand book was developed by the KTU Municipal Training Center under a contract and support from the Development Associates, Inc. and funded by the USAID. This handbook is intended to introduce you, the public servant, to the concept of public management and to provide you with a selected framework of knowledge and techniques that you can use to be more effective in your job of serving the Lithuanian public.

This handbook provides you with information which you can use in the performance of your job. The topics covered in the handbook were chosen by you or your colleagues from a survey conducted in eight Lithuanian cities (Alytus, Kaunas, Plunge, Klaipėda, Šiauliai, Vilnius, Druskininkai, Panevėzys).

Before we continue, let us define what is it that you do and to what profession you belong as a Lithuanian public servant. If you work for the government (central, regional, or local) in a professional capacity and as defined by Lithuanian Public Personnel Law, you are considered a public servant or a public administrator.

Now, what is this public administration thing? Public Administration is the accomplishing side of the government. It is that set of processes, organizations, and individuals associated with implementing the laws and other rules enacted by legislature, executives and courts. It is a field of study, professional training, and a profession.

Public administration is concerned with the management of public programs, assisting in the formulation of public policy, and interacting not only with the citizens but with executive, legislative, and judicial officials at all different levels of government. In the practice of public administration, you are involved in all of the political and managerial complexities of government. To perform your functions effectively and efficiently, you need knowledge, skills, and abilities in communications, motivation, group dynamics and organizational change. You need to know the techniques of and tools available to modern managers, from budgeting and personnel management to strategic planning and productivity improvement along with the personal and interpersonal skills to make things happen in the bureaucratic hierarchies of government.

Along the same lines, as a Lithuanian public servant you need to know, be committed and practice the concept of public good and public interest. You must be able to balance the political and managerial aspects of your job in getting things done, while completing

assignments in a timely manner and following the democratic norms and values described in the Lithuanian Constitution.

Public administration is not new to Lithuania. Prior to 1940 there were Lithuanian scholars and practitioners who were recognized as highly qualified in the field, not only by Lithuanians but also by the international community. Vytautas A. Graiciunas, Pranas Lesauskas, and Pranas V. Raulinaitis, are but a few that would qualify today to be counted as scholars of public administration. Much of the literature dealing with the theory and practice of Lithuanian public administration can be found in a 1991 edition of the book "Vadyba Lietuvoje 1918-1940 metais" published by :Mintis.

Unfortunately, the study and practice of the theories of government administration and management were abruptly terminated in the early 1940s and banned from the academic and technical training curricula. After fifty years of forced compliance with Soviet dictated academic and training policies, Lithuanian universities and civil service training programs must play catch-up, if they want to take advantage of other democratic countries' mistakes and successes. They can benefit from their exposure to the success and failures of the western public administration systems when designing its curricula and adapting democratic principles and practices to meet its constitutional dictates.

Lithuania has made great strides in its political sovereignty, now it must turn its attention to the matters of effective and efficient government.

The People are the constituency whom the public employee is obliged to serve. This constituency further consists of the legislature and its chief executive. Moreover, since LITHUANIA is a democracy, its government organizations have a responsibility to uphold democratic values and enhance the human dignity. A summary of objectives, reflecting the preceding views on the subject and applicable to government agencies as well, is provided below.

Any government agency is in business to:

- provide the services set by legislative and executive action;
- provide the persons employed by the unit with personal satisfaction;
- provide work for a certain segment of a population, work that contributes to the total well-being of the state;

- enhance the social well-being of all citizens in the state;
- contribute what it can to the national interest;
- advance democratic ideals in the organization, in the government, and in the public at large.

2.1. STRATEGIC PLANNING IN PUBLIC ADMINISTRATION

STRATEGIC PLANNING AND MANAGEMENT

Ricardas Malkevicius, Ph.D.

1. Introduction

Strategic planning is the fundamental element of organizational strategic management. By means of strategic planning, the organization relates to its micro- and macro environment with existing strengths and threats. In most cases organizational success depends on the organization's ability to recognize and seize the emerging opportunities as well as to avoid arising threats.

The increase of organizational effectiveness is the most important profit expected from strategic planning and management. Moreover, the significant advantage of strategic planning and management is the forming of organization members' favorable view towards changes. Different levels and activities' managers participate in strategic planning and implementation process. This helps them to understand each other better, to unify their points of view towards organization and its development priorities.

Conceptually, the planning is not a new idea for current managers. However, it is unpopular because of too zealous and unsuitable usage during the Soviet period. Mainly for this reason planning was considered to be an insignificant practice that described "soviet activity" methods. Most leaders of municipalities note that the specific character of municipality activity does not form the basis for activity planning:

> *"A municipality is not an industrial factory which activity could be foreseen. We have to work with people, therefore it is impossible to predict their needs and preferences...".*

We can object to this statement. When little attention is paid to long term planning, municipality activity acquires character like that. Municipalities have recently implemented a great variety of projects and tasks which could be described as "fire-extinguishing" while using effective

planning they can be foreseen and solved by means of "problem prevention" principles. As the saying is: to prevent the fire is cheaper than to extinguish it.

The above mentioned factors do not limit the benefit of strategic planning. In comparison we will present the statements defining different management situations:

Strategic planning		Management of crisis situations
1. You plan, foresee actions.	-	**React to emerged problems.**
2. Act.	-	**React.**
3. Foresee how to avoid possible problems.	-	**Solve emerged problems.**
4. Encourage people's initiative to act together.	-	**Review situation and give instructions to behave.**
5. Control and manage the organization and the situation.	-	**You are controlled-the situation controls you and the organization.**
6. Look to the future, see the directions.	-	**You can evaluate only today's situation point perspective, activity and problems.**
7. Advance systematically.	-	**Your motto: 'Somehow to catch up and manage.'**
8. Act in an organized manner.	-	**Act in a chaotic manner.**
9. Coordinate actions.	-	**Act in isolation - alone.**

It should be noted that it is difficult to find an organization without the statements of the right column. It is impossible to avoid the 'contingency factor' and at the same time crisis situations, even very carefully planning and forecasting activity directions and priorities. However, using long-term or so called methods of strategic management, the percentage of contingency could be considerably smaller. It allows the existing resources to be used more effectively. Strategic management enables one to achieve results that usually require a long period of time. They are not short-term goals and therefore, are very valuable for community members.

This chapter examines strategic planning methods and opportunities for their application. Practical advice on implementation of methods are presented as well.

2. Strategic planning methods and their application.

2.1. The essence and stages of setting long-term goals and strategic planning.

The essence of setting long-term goals and strategic planning[1] is to determine the main problems that affect the organization and hamper its development and to design the essential goals/directions facilitating the implementation of its mission.

The objective of long-term goal setting method application is to avoid the possible 'confusion' and vagueness in decision making and to direct decision making towards the implementation of long-term goals.

This method allows focus on the organization's problems solving and most effective resource deployment for desired results. It should be realized that only a few realistic and simultaneously implemented primary goals enable the organization to achieve tangible results.

Strategy building is a long-term process requiring intellectual efforts. So, first of all, the goal group - team should be formed from the various levels of managers and specialists. This group should be managed by an independent consultant. This person should provide help in formulating the main ideas and constructively regulating the strategy building process.

The process of strategy building and long-term planning can be divided into the following stages:

- Mission formulating and clarification
- Vision formulating
- Defining a problem
- Data collection
- Data analysis
- Setting goals and their priorities
- Planning actions
- Implementation of plan
- Evaluation of results

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[1] The term 'long-term goals setting' is used along with 'strategic planning' because it is proposed to apply the method of long-term goals setting in the process of strategic plan building and implementing

- Correction of goals and priorities

This process could be called a continuing cycle, because in the last stage of this process the results are evaluated and goals as well as priorities are corrected. The results of this stage become the primary data for the following planning stage that begins with the formulation of a new vision or at least the determination of new problems and analysis.

2.2. Mission formulating and concretizing

The mission reflects the reason for the organization's existence, sets out the organization's strategic intentions and its role in the society. Mission answers questions such as: "Who we are, what we do, and what we will do in the future?

The mission provides focus on the alternative goals and strategies and unification on points of view of different influence groups. Moreover, it declares the organization's point of view towards the external environment, society's interests and social responsibility.

Mission sets out the purpose and direction of activity and in that way it facilitates the managers' job to form tasks for their employees. Managers understand themselves more clearly in terms of what they have to do and why.

The process of mission creation can be divided into two stages:

1st stage - mission formulation;

2nd stage - mission concretizing.

In the first stage, team consisting of organizational members should generate the main ideas. These ideas should be submitted to the various organization's members - managers and ordinary employees. It is important because the managers create a strategy, and all employees or most of them implement it. They should understand the meaning of the strategy very well. After introduction to the process of strategy creation (in this case with the mission creation), employees feel the significance of their being in the organization, identify themselves with it.

The second stage is mission concretizing. It is not the editing of the language or style, but the evaluation of content and context clarity as well as extent.

2.3. Vision formulating

Vision is the beginning and the starting point of any reasoned activity that is oriented towards long-term perspective. By formulating the organization or group's vision the efforts are concentrated on possibly the best and the most reasonable type of organization in the future.

The process of vision communicating within the organization is very important. The result wanted: communicated vision should become personally meaningful, motivating and turning the activity into the desired direction. We can use various methods, however, it is important to guarantee personal contact, consistency and clearness.

Consistency is a series of main steps connected with the vision. Clearness is achieved by using simple and understandable statements expressing vision, avoiding the false interpretation of different facts.

2.4. Defining a problem

In this stage it is important to define a problem very precisely. In order to avoid uncertainties and inaccuracy in problem formulation we should ask the corresponding questions (see 1 appendix).

2.5. Data collection

This is the gathering of information that is critical for strategy building and implementation.

Risk factor. The factor of unknown or information incompleteness always exist in decision making. The percentage of risk factor increases if there is no sufficient attention to systematic information collection and analysis. However, even having the maximum amount of information, the unknown and the risk to make a mistake still exist because of the constant time flow and changes of situation.

2.6. Data analysis

Before starting the planning process, it is important not only to gather the largest possible amount of problem related information but also to systematize it and to carry out an exhaustive analysis.

The first element of strategic analysis should be the analysis of influence groups. An influence groups consists of individuals or groups of individuals which in one or another way effect the organization. All of them are interested in its activity's results, for the organization is a tool for achievement the part of its goals. Influence groups can be positive and negative.

Influence groups can be analyzed dividing them into two types: internal and external groups. Internal groups - the organization's managers and employees. External groups - society, other organizations, various governmental institutions, interest groups.

Another very important object of organizational strategic analysis is resources and skills. The existing technological base, finance, organizational flexibility, and the opportunity to use resources should be analyzed.

Before planning is started it is necessary to carry out the analysis of organizational structure. Not only the composition of its elements with the hierarchical relations, the structure of duties and responsibilities are examined but all working systems of personnel, procedures and processes as well.

Another object of strategic analysis is the organization's human resources. They incorporate the organization's specialized knowledge and skills, the motivation for activity and the ability to communicate and interact.

Organizational resources such as reputation and culture play a very important role but, it is difficult to evaluate them.

One of the main parts of analysis is the evaluation of the organization's strategic situation. The logical order of this analysis:

1. The evaluation of present strategy effectiveness and further opportunities of its application.

2. The evaluation of the organization's strengths, weaknesses and threats.

3. The evaluation of the organization's position.

4. Conclusions about the general strategic situation.

2.7. Setting goals and their priorities

Before starting this stage the definitions of problems are changed into the definitions of goals. It is important to decide which problems will be considered to be the goals of organizational activity. This process is performed by the team which is responsible for strategy building.

Having formulated the goals, the sequence of their priorities is established. It is often said that all goals are equally important. This is a dangerous situation for it is unclear what aspect to begin with. Practical methods of priority setting will be discussed in chapter 3.

2.8. Planning of actions

Having defined the primary goals that ensure the implementation of the organization's vision the next step is to make an exact, long-term plan of actions.

The planning process is divided into the adequate shorter stages. The implementation criteria are set for each stage, e.g. the changes in public opinion expressed in figures (statistical survey), cost reduction, and the number of works performed. They must be fixed and defined before starting the plan implementation, otherwise it will be difficult to estimate the implementation results of each stage. The division of the plan into separate stages will improve the control of the plan implementation process and action performance.

First of all, the long-term action plan (3-5 years) is drawn up. Its primary goals, implementation stages and intermediate results are foreseen. Later, a more detailed - tactical plan is formed. It must correspond to the long-term action plan.

In the action planning stage the fair distribution of responsibility is very important. It is necessary to decide who will be responsible for the implementation of the whole plan, and who for intermediate results.

2.9. Implementation of plan

The successful implementation of a long-term action plans is not of less importance than the preparation of a good plan. In some cases even an excellent plan is not fulfilled or not well implemented.

The coordination of plan development with its implementation is a difficult task for these processes require different active style and skills. The same people especially those who use the creative model of plan development with difficulty, must reconcile these different styles of activity.

Plan implementation process is usually composed of the following objectives:

1. Building the organization's skills to implement the plan;
2. Establishment of additional administrative and informational systems;
3. Development of a plan for financial and other resource's supply;
4. Development of a plan for establishing and maintaining favorable climate;
5. Activity orientation towards the achievement of essential strategic results;
6. Development of adequate management style and climate.

The above mentioned objectives are very important in achieving the effectiveness of the long-term plan, however, the main attention should be focused on these complicated objectives of plan implementation:

1. Organization's skills to implement plan effectively

In order to achieve this objective we need:

- to establish the adequate organizational structure and systems;
- to develop the necessary skills for each stage of plan;
- to select the most suitable people for strategically vital positions.

2. The development of supportive climate for the action plan.

Two aspects are critical to the support of the action plan:

a) context - provides the essence of what is agreed on. It could be organizational goals, the evaluation of environment, or activity's methods. The agreement on general principles who does not express the consensus on separate aspects.

b) subjects - the evaluation of support: who approves and who not. The opinion prevails that top management's support and approval are the most important thing. However, middle and line managers' different opinions should be united as well in this complicated environment of activity. When they do not understand the context of the action plan, they hardly take an active role in the process trying to make it more perfect. The support and comprehension of the plan could be gained during discussions in various cross-functional levels.

2.10. The evaluation of results. The correction of goals and priorities

If the evaluation criteria were clearly stated in developing the action plan, then the implementation of this stage is not complex. The problem arises when we forget about this stage. In this case the control of plan implementation is lost , plans do not correspond to the reality. The analysis of results provides the conditions to correct the sequence of goals and to begin the cycle again.

3. Systematic approach to problem solving

If the actions are to be planned we use the long-term planning method (see 2.1 section). The systematic approach to problem solving could be applied as well. The solution of the problem is divided into separate stages. The questions of each stage are answered in consecutive order.

1st stage. DEFINITION OF PROBLEM.

The first indication that problem exists.

1. What worries you?

2. Is that a real problem?

3. Is that problem really important to you?

Objective: to recognize a problem.

Problem selection.

1. Do you need to resolve that problem?

2. Does the problem consist of several elements? What are they?

3. Does it correspond to your abilities and knowledge?

Objective: to separate the main problem from the secondary ones.

Problem formulation.

1.Are you able to write down the problem in a clear and understandable way?

Objective: to formulate the problem.

Testing experimental solutions.

1. What methods of problem solving could be developed?

2. Why do you hope to use these alternative solutions?

3. What results do you expect?

Objective: to foresee some methods of problem solving and their results.

2nd stage. WORK WITH THE PROBLEM.

'Inventory' of problem related information.

1. What information is especially important for the solution of that problem?

Objective: to check and evaluate the existing information about the problem.

The gathering of additional information.

1. What additional information do you need?

2. Where could you get it?

3. How could you get it?

Objective: to gather all facts.

Information management and systematic order.

1. What is the most convenient sequence of information gathering?

2. Is everything important and necessary?

Objective: to choose only reliable and problem related information.

The processing of information.

1. How is information related to the decisions you make?

2. Doesn't information analysis indicate other problems?

3. If so, what problems should be first solved?

Objective: to define the problem's relations with environment (other problems).

3rd stage. CONCLUSIONS.

The formulation of the possible conclusion.

1. What are the possible conclusions?

Objective: to find alternatives.

Establishing the best conclusions and solutions.

1. What conclusions could be rejected?

2. What are preferable conclusions?

3. What are the most logical conclusions?

4. What conclusions/solutions could you accept?

5. In your opinion, what would happen if you used the first chosen conclusion?

Objective: to make logical conclusions/ solutions.

4th stage. APPLICATION OF SOLUTION.

The analysis of solutions.

1. What actions should be taken (if there is a need)?

2. If the action is acceptable, how and when could it be performed?

3. What are you supposed to do if the action is unsuitable?

Objective: to act according to the chosen plan.

5th stage. LEARNING FROM THE PREVIOUS ACTIVITY.

The evaluation of performed actions.

1. Have you succeeded in problem solving?

2. If 'yes', why?

3. If 'no', why?

4. What would you change or not change if the next time you encountered the same problem?

Objective: to learn from the activity, accumulate the experience.

4. Practical example of goal setting methods in Lithuanian municipalities

We will discuss the implementation aspects of the long-term goal setting process. We will use the practical knowledge obtained during the 'Long-term goals setting' sessions organized by Municipality Training Center. These sessions were held in municipalities and other organizations of Lithuanian cities and regions: Kaunas municipality 1995, November; Alytus City municipality 1996, January; Anykščiai region municipality 1996, January; March, Urban sector of Lithuanian Municipalities' Association in Panevėžys, 1996 and the organization of green movement "Žalioji giria".

4.1.The planning of process

The establishment and correction of long-term goals begins when the composition of the municipal council is changed (i.e. after the elections). First of all, the team is formed from council members and administration managers. This team will participate in the sessions of long-term goal setting, take the necessary decisions and submit to the council for approval.

In order to implement effectively the process of long-term goal setting, the following conditions must be satisfied:

- a sufficient amount of time should be devoted to the process. Work cannot be done in a few hours or in a short period time during the break from the daily routine. You will need several days, e.g. the weekend.

- the involvement of all team members is necessary.

- choosing the adequate sessions' site is very important. The sessions should not be held in the municipalities' building; the disturbances should be reduced to a minimum. e.g. Kaunas City council was working in Birštonas for two days; Alytus City council in the 'Cotton Culture Center' and so on. Premises for the sessions should be ventilated and prepared for team work. An informal surrounding is necessary for discussions and problem solving.

- team members should have enough information about process course and significance. Team members should be introduced to session's timetable, work method and its advantages. In the beginning the short survey of the whole process should be presented and the goal of this meeting discussed.

- the team leader is chosen very carefully. While choosing a team leader, the neutrality question should be taken into account. A person who does not belong to any group, party or fraction and is fair should be appointed as a leader e.g. independent consultant. In this case the conflicts among team members could be avoided and work would be performed more effectively.

Requirements for a leader:

- neutrality;
- communication abilities;
- ability to generalize;
- ability to encourage communication in the group;
- ability to neutralize the possible conflicts;
- ability to achieve consensus.

The public should be involved into the process of long-term goal setting. Community representatives' involvement into the primary stages of planning process encourages the initiative to cooperate, better evaluates the interests and wishes of different community groups. Their participation in problem defining and vision formulating reveals the wide range of interests.

It is necessary to prepare the information that increases the effectiveness of the session. Before starting the process it is necessary to gather as much information as possible about the society's main problems. It is important to notice that the effectiveness of information submission is sometimes unequal. Then the manipulation of team member's opinion becomes possible. Therefore, information like that should be presented only after the priority setting.

Municipal departments should prepare the information about the problems they confront with. Information must be submitted in a structural way, e.g. according to the plan presented below.

1. **Problem statement and description.**

- the short description of problem related social phenomenon;
- facts, data.

2. **Structures related to the solving of this problem.**

- the subdivision of city board (or subdivisions);
- public or business structures.

3. **The possible ways of problem solving.**

- solution choices;

- work necessary for successful solution;
- means for solution implementation;
- consequences of solution implementation.

4.2. Setting goals and priorities

It is recommended to use the 'brainstorming' method, when each participant presents in sequence his/her defined goals. According to the preliminary agreement, goals should not be criticized. All goals should be written on the board, in a clear and legible manner.

While setting the priorities each participant should pick 1/3 of goals that in his/ her opinion are the most important. The collected points are put next to each goal. The prior goals are set according to the amount of collected points.

After priority setting the discussion among team members is organized and later the procedure of priority setting is repeated.

The example: Kaunas City municipality council. Having defined the goals and their priorities the city budget was approved in two hours. As council members claim, earlier they used to spend several meetings (i.e. to waste several weeks).

2.2. STRATEGIC PLANNING FOR STRATEGIC IMPACT

Earl Mathers, MPA

1. Introduction

Strategic planning is a process by which organizations seek to identify the goals, objectives and actions which, through effective implementation, will achieve optimal results in terms of efficiency and desired impact. In many important ways it is a strategic management process, although systematic planning is required. While organizational decision-makers are integrally involved in the process, their actions and the characteristics of the resulting plans are strongly influenced by the input of other stakeholders. All organizations, in both the public and private sectors, have stakeholders. They are individuals or groups that have the ability to significantly impact, or be impacted, by the organizations activities. Strategic planning usually occurs periodically, although the results of the process generally influence organizational activities continuously. The resources of any organization are finite. Consequently, organizations must allocate their resources to satisfy varied and competing demands. In addition to resource allocation and optimization, strategic planning allows organizations to build consensus around their goals and objectives.

This paper is a brief overview of the process of strategic planning leading to strategic management and, ultimately, to strategic impact. Many excellent books have been written about some of the topics. Only a cursory review will be provided here. The reader is well advised to delve more deeply into these topics. A succinct discussion of some of the practical and philosophical dimensions of strategic planning with emphasis on the linkages that exist with certain management systems is the objective. Along the way, a few strategic planning techniques and case studies will be covered. A model, which is suggestive of the process is also presented.

Contrary to popular belief, extensive technical training is not required in order to effectively facilitate the process of strategic planning. Some training is required however, and the more the facilitator is acquainted with the appropriate techniques and the philosophy associated with strategic management, the greater the chance for success. The author has worked with several uninitiated groups that were highly successful in their efforts. For those individuals responsible for coordinating the strategic planning process, the requisite skills can be acquired with a modest amount of study and effort.

Managers, executives and board members, in the private and public sectors want to be successful. In fact, they need to be successful for numerous reasons. Strategic planning and management (SPM), increases the likelihood that organizations will be successful, as defined by the particular measures of success which are agreed upon. Due to resource constraints, austerity budgets and the like, it is impossible for organizations to fulfill all the conceivable desires of the people they serve. SPM facilitates the creation of an organizational philosophy which makes it possible to systematically achieve priority goals and deliver high value to stakeholders. Actually, incorporating the word management in this context is, at least in one sense, a misnomer. Referring back to the original Greek, the work strategy is associated with leadership which isn't the same as management. With this caveat in mind, the reader should recognize that it is really a blend of management and leadership which is described here.

2. Planning and Management

As society becomes more complicated and the expectations of people rise, the need for organizational planning becomes more pronounced. Today, sophisticated consumers and stakeholders in developed countries demand efficiency, accountability and quality in the goods and services which are delivered to them.. The pressure on government and industry in western countries to meet those expectations is tremendous. People are increasingly aware of the fact that private service delivery alternatives can be devised as suitable replacements for the work which has traditionally been the role of government. Consequently, many governments have developed a more entrepreneurial approach to doing business, often with highly desirable results. It is axiomatic that making such a transition successfully requires good planning.

Good planning means accurately predicting the future so that organizational weaknesses and threats can be managed while the strengths and opportunities which characterize the organization and its operating environment are exploited to the fullest advantage. In order to accomplish this, information must be obtained through research, experience and the acquisition of input from appropriate sources. It has been suggested that, in the decision-making process, organizations generally make limited comparisons based on incomplete information. Often organizations are compelled to make decisions on the basis of inaccurate or incomplete information. The resulting action frequently misses the mark in terms of producing the desired effect. While the acquisition of exhaustive information on any subject may be logistically or financially prohibitive, the process of SPM is information driven. For this reason, it is critical that serious attention be devoted to structuring any SPM effort in such a way as to optimize information gathering. Knowledge is power and good decisions are powerfully effective if they are based on good information and implemented in a

knowledgeable manner. Therefore, in order to insure effectiveness, the right people must be involved and they must be encouraged to provide essential information.

The SPM approach described in this paper is highly compatible with employee or citizen involvement strategies and other efforts to increase participation among stakeholders. Because it would be logistically impossible to physically involve all stakeholders directly, innovative approaches are sometimes utilized to facilitate the acquisition of input. For example, community surveys, suggestion boxes and public meetings can provide mechanisms for citizen participation. The City of Gillette, Wyoming made it possible for citizens to meet directly with elected officials and write their suggestions on large pieces of paper affixed to the walls of a specified public area. During the course of the actual SPM process, certain techniques will be utilized to facilitate decision-making. At this stage, the process becomes an exercise in representative democracy as individuals representing particular groups of stakeholders meet to define problems, goals and strategies. It is essential that all major stockholder groups be fairly represented. Otherwise, disenfranchised groups may seek to derail the plans derived from the SPM process. At times, publicizing the process and involving the media can be a wise decision. By announcing that the SPM process is underway and creating a climate of openness, stakeholders are less likely to oppose decisions because an opportunity to contribute was provided. On a number of occasions when the media was present at meetings facilitated by the author, press representatives always maintained a low profile. Typically, the media coverage and evaluation of such events is highly favorable, thus improving the organization's image. Particularly at the community level, engaging in the SPM process entails establishing a partnership in which planning and decision-making responsibilities are shared. Under these circumstances, a climate of trust is essential.

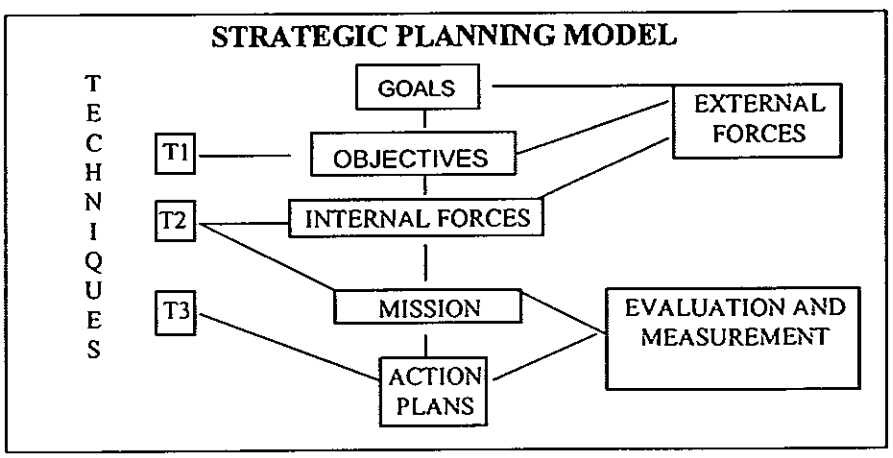

Figure 1. Strategic Planning Model

The SPM process is graphically illustrated by the Strategic Planning Model.[1] Clearly, SPM is a process which is influenced by both internal and external forces. Various techniques, such as those described below, are utilized in the formulation of a mission statement, goals, objectives and action plans. Increasingly greater specificity is evident as one moves from the broad mission statement down to highly detailed action plans. Evaluation and measurement of goal attainment and impact or the lack thereof, form the basis for the feedback loop. This feedback in turn results in the modification of action plans, objectives and, on occasion goals and mission statements. The process is dynamic and continuous although major SPM events may occur only periodically. Those involved in establishing plans and making decisions often delegate implementation, monitoring and preliminary evaluation of success or failure to staff. SPM goals and actions are continually influenced by internal and external forces which are changing. Therefore, input regarding change is especially welcome because plans must be modified in order to maintain their effectiveness. Evaluation and subsequent reconfiguration of objectives and priorities is an integral part of a viable SPM effort. Additional information on goal setting will be provided below.

For commercial enterprise in many western countries, quality has become the focal point. This is increasingly true for units of government in the United States as well.[2] In many cases, the paradigmatic shift to a quality orientation is such a strong force that other management practices are either subordinated or abandoned. Although several management scholars have shaped this perspective, Dr. W. E. Deming must be considered the father of quality management.

Total Quality Management (TQM) is also highly compatible with SPM. Since TQM supplies controllable amounts of definitive technical information, the SPM process is actually refined when used in this context. In some cases, the information supplied by SPM group members is largely anecdotal. Although this form of information is frequently valuable, it can sometimes be tested against the statistical data which is an important product of a developed TQM program. Unquestionably, TQM techniques can be extremely valuable in terms of evaluating the success of strategic plans. Utilizing firm data in tandem with convincing anecdotal evidence helps to present a success story which will be well received by decision-makers, funding entities and other stakeholders.

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[1] Mathers, Earl. Economic Development Gauge and Exchange. Winter 1994.
[2] Mathers, Earl. "Quality Initiatives In Campbell County." Economic Development Review. Summer 1994.

Dr. Deming was quick to point out that the "Deming Cycle" was adapted from the teachings of Walter Shewhart. The cycle is fundamental to TQM and Deming used it in Japan as early as 1950. With minor adjustments, it appears as the Plan, Do, Study, Act (PSDA) cycle in the work of many TQM authorities. Although the cycle may appear simplistic, it is the basis for the acquisition of what Deming might refer to as profound knowledge. The circular nature of the graphic illustrates the fact that the cycle represents continuous improvement. While TQM was originally developed for industry, there are numerous examples of successful application in government and among service companies.

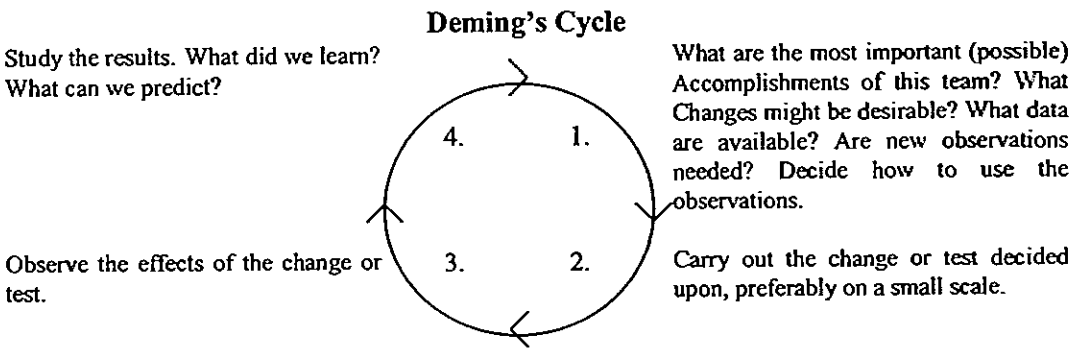

Figure 2. Deming's Cycle[3]

A discussion of TQM is beyond the scope of this paper. TQM is, however, a complete management system and an organizational orientation which makes it possible to align the goals of the organization with those of employees and other stakeholders. While a high level of team effort and multi-lateral involvement are TQM trademarks, the validity of anecdotal input is always compared with technical data. Continuous improvement in the quality of an organization's product is the overarching goal. This is accomplished by working together to improve performance and eliminate variability, the enemy of quality and this results in great organizational efficiency. Please see the bibliography for more information.

From a practical perspective, SPM can be integrated with TQM to produce results which are effective and allow for stakeholder involvement. The process requires effort but, it is not inordinately complicated. One important caveat is that both SPM and TQM require long-term commitment from those individuals and organizations that are actively involved. All too often, impressive strategic plans are developed and only cursory implementation efforts result.

[3] Deming, W.E. Out of Crisis. Cambridge: Massachusetts Institute of Technology, Center for Advanced Engineering Study, 1982: 88

When the plan is scrutinized in the future, observers are likely to consider it a failure. Actually, the plan might have been excellent. The real failure was at the implementation stage.

3. Stakeholder Analysis and Classification

During the preliminary stages of the SPM process, organizations must determine their position with stakeholders. Specifically, the organization is concerned with the quality of their relationship with their stakeholders and the amount and type of power that particular stakeholder groups have to influence organizational actions and decisions. Stakeholders can be classified in various other ways as well. Regardless of the method of classification used, it is important that the various stakeholder groups be ranked or prioritized in terms of the amount of influence they hold over the organization. The following stakeholder assessment tool will be helpful at this stage in the process:

MIXED BLESSING Clients or Customers Employees in Short Support (Key Positions) Strategy: Collaborate	**SUPPORTIVE** Board of Directors Managers Strategy: Involve
NON SUPPORTIVE Competitors Unions Strategy: Defend	**MARGINAL** Activist of Interest Groups Stockholders Strategy: Monitor

Figure 3. Stakeholder Assessment[4]

3.1. Stakeholder As A Potential Threat To The Organization

In public sector organizations, there will be several different stakeholder groups listed. The point is that, a group which ranks high as a potential threat and low on the cooperation scale will require a much different strategy than one which falls into the supportive quadrant. In fact, it is very likely that those in the supportive quadrant will be involved in devising the strategies. However, with many contemporary public entities, it is important to involve groups and individuals from all the quadrants in order to enhance consensus building and decision acceptance.

Depending upon the circumstances and the needs of the organization, the manner in which the environment is assessed and issues are defined will vary. Situations in which a board or governing body has relatively high confidence levels regarding the information they possess and the prevailing political winds may not require rigorous assessment. Monitoring to insure that significant change has not occurred might be sufficient. In other situations, such as when a new program is being considered, significantly greater and more in-depth analysis is required. Buchholz points out that there are actually several different levels of analysis that may be appropriate. Depending upon the level of information needed, the goals involved, the time horizon and the desired organizational outcomes, among other factors, the type of analysis varies. Scanning is the least intensive followed by monitoring, forecasting and finally, assessment at the most intensive end of the continuum.[5]

4. Goal Setting

Establishing a clear set of goals which are designed to fulfill the organization's mission is of great importance to all stakeholders. For many private sector entities, creating a "sustainable competitive advantage," has become the primary focus. In fact, public sector organizations in the West are adopting much more entrepreneurial approaches to their operations as well. This has occurred in response to ever increasing pressure for government to be wise stewards of taxpayer dollars. It was suggested in the most widely read book on government in recent years, that only by allowing competition to flourish in the public sector would government waste and inefficiency be eliminated.[6] Contrary to popular belief, most governmental decision-makers want to do a better job of managing public resources. There are, however, many competing demands for scarce resources. By establishing a systematic goal setting process, government can help to assure that resources are efficiently and effectively deployed. Gaebler and Osborne also indicate that mission-driven organizations can be more innovative and flexible while maintaining higher employee morale.[7] In addition, the government develops a much higher level of professionalism when it becomes a mission-driven organization. On the one hand, formulating a mission statement is the first stage in developing an organizational strategy. The mission statement is super-ordinate to the goals, objectives and action plans which follow. On the other hand, the mission statement reflects the culture of the

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[4] This grid was adapted from Harrison and St. John, Strategic Management of Organizations and Stakeholders. St. Paul: West Publishing Co., 1994. 22.
[5] Buchholz, Rogene. Business Environment and Public Policy. Englewood Cliffs, NJ: Prentice-Hall, 1989. 503-504.
[6] Gaebler & Osborne. Reinventing Government. NY: Penguin Books, 1993.
[7] ibid., p. 133-113.

organization. It proclaims, in succinct fashion, what the organization is about and where it is heading.

Goal setting, simplistically stated, is a process that involves determining where you are, where you want to go and how you are going to get there. In order to be successful, goals must be developed systematically and consensus must be built around the organization' s goals with the involvement of all prominent stakeholder groups. As successful city manager, John Darrington, one wrote, "Dreams remain dreams unless they are translated into specific goals."[8] In the contemporary world, complex organizations must strive to be open and accountable to stakeholders, particularly in the public sector. This can be accomplished by involving constituents, interest groups and the media in the decision-making process, both directly and indirectly. Utilizing survey information is an example of indirectly utilizing public opinion whereas inviting interest group representatives to participate in a nominal group exercise is more direct. These tools can also aid decision-makers with the task of prioritizing goals. There are, however, legal and statutory mandates with which public sector entities must comply. In many cases, the need to fund various basic services further limits the budgetary flexibility of public bodies. Consequently, the amount of discretionary authority may be quite limited. At the same time, entrepreneurial governments in the U.S. are finding that they can often do more by challenging traditional approaches to management and allowing innovation and competition to sharpen organizational performance. Creativity in problem solving can only occur when managerial predispositions and organizational culture allow for open discussion.

5. Nominal Group Technique

An excellent method of defining issues and reaching consensus regarding organizational goals is the Nominal Group Technique (**NGT**). Suitable for use with large diverse groups, the **NGT** provides for the acceptance of input without the problems sometimes encountered due to polarization or "groupthink."[9] Generally, an **NGT** exercise utilizes a broadly representative group of organizational stakeholders. These individuals are invited to a meeting and informed of the general purpose of the meeting in advance. An impartial facilitator introduces the group to the topic and the process after they have been assigned to individual discussion tables. The following case study is illustrative of how the process works.

5.1. Nominal Group Technique Case Study

[8] Darrington, John. "Goal Setting." National League of Cities. Washington, D.C., 1992. 11.
[9] "Groupthink" is a term coined by management scholar, Irving Janis, in 1972. It refers to situations in which groups become so preoccupied with reaching a consensus that they lose sight of their mission of identifying viable strategies for the organization.

Perhaps the first time the **NGT** was introduced in Lithuania, occurred in May of 1996. The author, in cooperation with municipal officials, developed and sent advance information to approximately thirty-five participants. Because the municipality wanted input from a variety of sources, a diverse group of participants was selected. This group included: city department heads and executives, outside agency representatives, university officials and members of the business community. Participants were informed that the purpose of the meeting was to identify several goals for the newly established municipal economic development program. These goals would form the nucleus of the city's Overall Economic Development Plan (OEDP).

As mentioned above, participants are seated at discussion tables in groups of six to eight. In Panevëþys, an effort was made to insure that each table had representatives from several different stakeholder groups, in order to stimulate balanced discussion. Initially, work at the tables is performed individually. Each participant worked independently to create three economic development goals which he or she felt should have high priority. Next, each table designated a table spokesperson and the individually developed goals were transferred to one list. An effort was made to eliminate or combine duplicative goals. Each participant then had the opportunity to defend his goals and after this, prioritization at the table level took place. Each table member was asked to prioritize the goals and the three highest ranking goals were selected for presentation to the entire group.

The second major stage in the process began with each table spokesperson presenting the goals most favored by his or her table to the entire group. These high ranking goals were recorded on flip charts at the front of the room and, again, an effort to eliminate or combine duplicative goals was made. At this sage in the process questioning for clarification is permitted. It is, however, important that the facilitator does not permit excessive arguing or obfuscation. In Panevezys, the presentations were limited to five minutes per table.

Finally, each participant is given three colored, self-adhesive paper dots with which to cast his votes. Since all of the prioritized goals are stated on flip chart pages, participants are able to quickly vote for his three top choices. The process proceeded remarkably well in Panevezys, in spite of the fact that none of the participants had been exposed to it previously. In total, the process required just under two hours to complete. A subsequent session was scheduled to develop objectives and actions steps for each of the highest ranking goals. The following goals, along with several first stage objectives were developed at the first Panevezys' OEDP meeting:

1. Develop mechanisms for the support of small business growth leading to the creation of employment opportunities.

- Explore the potential for tax abatement for small businesses which create employment opportunities.

2. Support the development of the University of Panevezys.

- Enhance faculty in technology, management and business and the arts.
- Establishing a faculty in the area of management and business is the highest priority.
- Develop a system for adult continuing education that includes skill improvement and retraining.

3. Reorganize and improve the social infrastructure in Panevezys.

- Expansion of sports facilities.
- Development of cultural amenities.
- Improve health and welfare, especially in the area of preventative health care.

The participants involved in the **NGT** process in Panevezys were highly effective in producing relevant and manageable goals. In addition, they had an enjoyable experience and, from the author's perspective, the **NGT** worked just as well in Lithuania as it does in the U.S. It was particularly impressive that the participants were able to ferret out several of the underlying problems associated with poor economic performance in Panevezys and address those issues.

6. Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

All organizations have strengths, weaknesses opportunities and threats, hereinafter referred to as SWOT. In order to plan or to manage strategically, the organization must maintain constant awareness of these factors in order to enhance the effectiveness and efficiency of the actions taken to accomplish its mission. For this reason, a SWOT analysis, in comparison with some techniques, is a relatively unstructured exercise. Consequently, it works best with small and reasonably cohesive groups.

Essentially, the SWOT Analysis works as follows. The group of generally less than twenty people is assembled and the facilitator provides a brief introduction to the topic and to the SWOT Analysis technique. An outside facilitator or high ranking staff member can facilitate the process. SWOT Analysis is designed to produce a free flow of ideas concerning a particular issue. The facilitator should clearly state that all ideas are welcome and are not open to criticism or debate. Two or more flip charts are used to record the ideas as they are presented and, as sheets are completed, they can be taped or thumb tacked to the wall in the front of the room. An effort should be made to avoid duplicative ideas and related ideas can be combined.

After the initial SWOT Analysis, the ideas which have been presented can be categorized or prioritized by the group if desired. Alternatively, the results can be distributed to the group for further consideration. After participants have had an opportunity to consider the initial results and acquire additional information, a second meeting may be scheduled to debate the issues and/or prioritize them. It is often expedient to delegate additional research to staff. In addition, staff may be asked to draft goals, objectives and action steps which correspond to the issues developed from the SWOT Analysis. The group then meets a second time to consider, modify and approve the plans which were developed by their staff.

6.1. SWOT Case Study

In 1993, a local library contracted with the author to present a seminar on management and leadership followed by a brain storming session to identify organizational SWOTs. Although the group of twenty-five staffers and managers was larger than optimal for SWOT analysis, the technique was selected because it was familiar and the group was both open and homogeneous.

While budget allocations to the library system had flattened in recent years, the organization was considered to be well funded in comparison with other systems. Some management problems had developed due to increased demands on the library attributable to population growth and the fact that designation as a depository for federal documents had been received. This made the library only one of three in the state to have such designation. In addition, the local community college had out grown its library creating a spillover effect on the public library. A number of library functions had been computerized prior to 1993 and administrators were contemplating additional computerization to increase staff efficiency. Administrators had also initiated their study of Total Quality Management (TQM) in the months preceding the seminar/SWOT analysis. It was generally accepted that the library was

effectively meeting the needs of users and surveys distributed by the county government consistently confirmed high levels of public satisfaction with services provided.

The SWOT Analysis proceeded smoothly with strong participation involving a number of staff members and managers. After a number of points were listed in each of the four categories, the group synthesized the information and identified one primary goal to add to their strategic plan for the upcoming fiscal year. The group recognized that their efforts to continually improve service quality were producing results and should be maintained. There was consensus that the addition of the following goal would complement and enhance the program while increasing both organizational efficiency and cost effectiveness.

Goal: Computerize all library functions within the limits of available technology.

Objectives:

A. Investigate availability of required hardware and software.

B. Seek outside funding to augment budget

- Utilize county grantsperson as a resource for locating funding possibilities.
- Assist with funding search through depository resources.
- Seek additional matching funds from the county.

C. Obtain additional computer training for staff, including networking, utilizing the community college and other sources.

7. General Comments

The lofty goals of the **SPM** process as described in this paper include establishing a highly democratic system in which the viewpoints of a broad range of stakeholders can by hybridized to produce decisions that are representative of the group will. This highly participative process generally promotes greater understanding as individuals and groups work together to reach consensus on issues of importance. Because broad representation is provided for, there tends to be a high degree of acceptability associated with the decisions and plans made by such groups. In many cases, the group members act as ambassadors to their own interest groups and to the general public in terms of supporting program goals. When people are involved in the decision-making process, they take an ownership position in those decisions.

These are some of the benefits associated with the **SPM** process, and a few cautionary notes are in order as well. Under most circumstances, problems can be avoided if the process is properly structured and care is taken to involve people that are genuinely committed to the mission of the program. In spite of the benefits of **SPM**, there will be occasions when unanticipated events intervene to upset the best laid plans and strategies. The only thing about organizational life which is certain is its uncertainty. It should be mentioned that not all strategic planning or decision-making occurs in a formal or structured way. Frequently, managers are called upon to respond quickly to unanticipated events. Their ongoing involvement in the formalized **SPM** process will, however, give them considerable insight regarding the probable reaction of major shareholder groups.

For various reasons, groups sometimes become polarized over issues of concern. Polarization is especially likely when two or more sub-groups with competing viewpoints or frames of reference are assembled to work on a common problem. Frequently, polarization leads to stagnation in the group decision-making process. It can also encumber future working relationships. Polarization can be avoided, in many cases, if the facilitator maintains good control of the exercise and keeps things moving forward in a positive manner. This entails providing a good orientation to the techniques being utilized and continuous emphasis on the desired outcome of the meeting. In addition, mixing representatives of different groups at different tables helps to prevent clustering and enable participants to acquire a more balanced perspective vis a vis the big picture.

Groupthink, as labeled by Irving Janis in 1972, is a phenomenon in which groups become so preoccupied with reaching a consensus that their mission of identifying viable strategies through critical analysis is occluded. Ideas which might not stand the test of logical analysis at the individual level are embraced by the group based on false assumptions. There may be illusions of unanimity, distorted perceptions of group importance or undue pressure from group members to conform. Utilizing specific techniques such as nominal group and strongly encouraging individual expression by all group members reduces the possibility of embracing poor decisions based on **groupthink**. Here again, a skilled facilitator can take a proactive approach to ameliorating problems in the orientation process.

There are a variety of other issues that can effect the decision-making process and certainly have an impact on implementation. Issues such as project scheduling and cost analysis are not covered in this paper. Areas of study which should be strongly considered in order to gain a more complete understanding of strategic planning include the following: cost/benefit analysis, including present value theory; project scheduling, including Planning, Evaluation and

Review Technique (PERT) which is sometimes referred to as critical path analysis; prioritization matrices and activity network diagrams, to name only a few examples. There are many excellent resources which cover these management tools. The author strongly recommends Michael Brassard's "Memory Jogger Plus" listed in the bibliography.

8. Summary

It is incumbent upon organizational managers to deliver high quality results which are consistent with the best interests of stakeholders. SPM is a set of activities which are designed to facilitate decision-making, goals setting and prioritization in a way that maximizes effectiveness in terms of satisfying the interests of stakeholders. Enhancing the competitive advantages of the organization and applying resources to the best possible use are the true motivations undergirding the SPM process. Increasing input and augmenting the information available to decision-makers are important benefits of the process. The greater accountability to stakeholders which occurs because of the SPM process also results in more support for decisions and projects. All to often, organizations are doing the wrong things well and wondering why their base of support is crumbling. Properly executed, the SPM process helps organizations to insure not only that they are doing things the right way, but that they are doing the right things as well.

All of the practical considerations associated with the SPM process not withstanding, organizational vision must also be considered. Refining and communicating the organization's vision is the hallmark of leadership. This vision cannot and should not be discounted in the SPM process. It is the responsibility of the organization's key leaders to insure that those individuals and groups which are involved in the process are frequently reminded of the mission statement and other statements that reflect the organization's vision.

8.1. Benefits of Strategic Planning and Management

1. SPM assures active communication among stakeholders and organizational leaders.

2. SPM creates organizational discipline by identifying and clarifying goals.

3. SPM defines the internal and external environment in which the organization operates.

4. SPM can be structured to provide for multifarious types of analysis.

5. SPM allows for recognition of external constraints and opportunities while accounting for internal strengths and weaknesses.

6. SPM facilitates consensus building and stakeholder ownership of organizational objectives.

7. SPM correlates and aligns resources with desired outputs so that optimization can result.

8. SPM allows organizational changes to occur proactively.

9. SPM can drive the organization to increasingly higher levels of quality and performance, especially in tandem with TQM.

Unquestionably, SPM requires considerable effort to implement. The benefits are achievable however, and the process can be instrumental in terms of facilitating organizational development. Although strong commitments, hard work and perseverance are required of the managers involved, the potential for individual and organizational success is strong.

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3. MANAGEMENT IN PUBLIC ADMINISTRATION

3.1. ADMINISTRATIVE SKILLS AND BASIC MANAGEMENT

Edward J. Jasaitis, Ph.D.

1. Introduction

In this section of the Public Administration Hand Book, we will address some of the management knowledges and skills needed in your job as an official. We will discuss management in general in order to provide you with a better understanding of some of the skills that you need to perform your job better. Organizations do not accomplish things. People working in the organizations do and in turn determine how well the job is accomplished. In order to do their jobs well, people need to be guided and informed of what is expected of them. The following will provide you some information on what management skills are needed by you in order to improve your and your subordinates' performance. Lets start with the definition of your profession.

Public administration is concerned with the management of public programs, assisting in the formulation of public policy, and interacting not only with the citizens but with executive, legislative, and judicial officials at all different levels of government. In the practice of public administration, public officials are involved in all the political and managerial complexities of government. To perform their functions effectively and efficiently, they need knowledge, skills, and abilities in communications, motivation, group dynamics and organizational change. They need to know the techniques of and tools available to modern managers, from budgeting and personnel management to strategic planning and productivity improvement. They also need personal and interpersonal skills to accomplish their jobs effectively.

We can divide public officials and employees into four categories: worker, supervisor, middle manager, executive. Each category requires different competencies:

WORKER - Individual skills in the area of work

SUPERVISOR - Ability to provide leadership in face to face situations

MANAGER - Ability to lead groups of people where direct contact is not possible and to implement organizational processes

EXECUTIVE - Ability to deal in the organization's external environment and to translate the experience back to the organization.

2. Definition of Management Concepts

Administration: The term administration describes both the process of policy formulation and of its implementation within the established framework of the policy. It is the accomplishing side of any organization.

Management: The term management describes the concept of organizational goal achievement through the optimum use of limited resources such as money, materials, time and people.

Leadership: The term leadership describes the ability to direct and energize the disposition (willingness) of subordinates to take action to achieve organizational goals.

Effective Organizations: The term describes those organizations capable of achieving their assigned goals and change with the environment in order to continue achieving their assigned goals.

It can be generalized that public officials are administrators, managers, and leaders and that these terms are interchangeable when discussing individual and organizational behavior.

2.1. Why do We Need Management?

Administrators and managers are crucial to the success of all organizations. They have a range of job titles such as supervisor, section chief, team leader, coordinator, or head of a department and come from a variety of different backgrounds. Along with other public employees they insure that the organization fulfill its goals. Although their job titles and experiences are different, their functions have many common features. These features include general activities which make organizations effectively meet their objectives by:

1. Making sure that people work effectively and efficiently,

2. Planning and controlling the use of time and materials,

3. Helping people to solve problems, and

4. Managing information.

Managers work within the terms and boundaries set by more senior managers or regulations which govern and limit their activities and initiative.

These functions are restrained can be further refined into administrative or managerial competencies and activities.

2.2. What do Managers do?

There are several theories on this subject. First is the classical theory that assigns certain functions to managers **such as planning, organizing, staffing, directing, coordinating, reporting and budgeting**. These functions can be described as functions of "house-keeping" or operation maintenance which are needed to keep an organization working.

planning: a method, scheme or a guide for achieving or doing something.

organizing: an appropriate mix of technology, material, and human resources to accomplish planned course of action.

staffing: providing sufficient appropriate people to organizations in order to enable them to fulfill their mission.

directing: to guide an organization toward its goal.

coordinating: all activities which bind together all individual efforts and direct toward the accomplishment of a common objective.

reporting: providing necessary information.

budgeting: the raising and spending of public revenue, limiting spending to the amount of income to prevent overspending.

A more modern approach to management is one described by Henry Mintzberg. Mintzberg followed several organizational executives over a period of time and observed that they basically perform certain key roles instead of the main functions described above. He did not discredit the

theory of the classical managerial functions but that the main activities of managers consist of playing certain critical roles in the life of an organization. Roles which he classified into three main categories of interpersonal, informational and decisional. Each of the three main roles contain sub-roles which describe the functions performed by the manager:

Interpersonal roles consisting of 1) figurehead, 2) leader, 3) liaison.

Informational roles consisting of 4) monitor, 5) disseminator, 6) spokesperson.

Decisional roles consisting of 7) entrepreneur, 8) disturbance handler, 9) resource allocator, 10) negotiator.

These ten roles can also be said to represent the activities that public administration managers play when they perform their daily activities. However, the environment in which the public administrators operates also demands creativity.

The public administrator because of the nature of the environment in which he or she must operate requires performance of tasks which demand skills in the fields of political management, program management and resources management.

When we consider the field of *political management* we are considering the aspects of **politics, inter organizational relations, and ethics.**

When we talk about the *program management*, we consider tasks of **planning, decision making, organizing, leading, implementing and evaluating**. The tasks of **resource management** involve **human resource management, budgeting, and information and communication technology application.**

Political Management. Organizations do not operate in a vacuum. Public administrators must have knowledge of political and legal institutions and processes. They must have skills which enable them to:

1. Analyze and interpret political, social and economic trends,

2. Evaluate the consequences of administrative actions, and

3. Persuade and bargain in order to advance their organizations objectives.

Program Management. A program is a major organizational endeavor with an objective. In a government agency, programs usually are designed to help fulfill statutory requirements. That is to say, that they help to carry out the aims of public policy (governments choice of action) like joining the European Community, etc. Program management requires a thorough grasp of the seven classical management functions of **planning, organizing, staffing, directing, coordinating, reporting and budgeting.**

Resource Management. The three types of resources essential to the accomplishment of an public agency's mission are: *people, money,* and *information.*

People. Organizations do not act; people do.

Money. Salaries, and resources must be paid for.

Information. Without adequate information organizations can not make effective decisions.

Public administrators need to have more than the knowledge of the three fields described above. They also need skills. Unfortunately, skills can not be learned from books or lecture. They require practice.

In the above discussion, I have briefly outlined what is it that public administrators do and the tasks they perform. As you can see, the public official requires complex knowledge and skills to perform his or her job properly. To be effective, the public administrator needs to know many things. I hope that this short presentation allows you to better understand that the public service is a very difficult and demanding profession. It requires very qualified, dedicated professional people in order that the Lithuanian society can have a better quality of life.

3. Managerial Skills

3.1. Personal Skills

Administration and management are a complex business and requires a range of practical and technical skills. Personal competence is less perceivable than other managerial skills but nevertheless just as important.

Management is about working through other people to get results. This means that it is important to be sensitive to other peoples' needs. As managers, we need to present ourselves

positively to others. This means that we need to make ourselves available to support others, show patience and encourage others to express their views.

It includes the ability to clearly express ideas so that they can be understood, that we express them at the appropriate time and that we ask or allow questions to see that we have been understood. Resolving conflicts is another important aspect of the managers job. Manager's personal skills may be regarded as follows:

- **Showing concern for excellence**
- **Presenting oneself positively to others**
- **Setting work priorities and prioritizing objectives**
- **Showing self-confidence and personal drive**
- **Monitoring and correcting activities to follow planned sequence**
- **Managing personal emotions and stress**
- **Showing sensitivity to the needs of others**
- **Managing personal learning and development**
- **Relating to others**
- **Collecting and organizing information**
- **Showing self-confidence and personal drive**
- **Identifying and applying concepts**
- **Obtaining the commitment of others**
- **Making Decisions**

3.2. General Skills

Individual skills which help an employee to learn, work with others, to adapt, and to be productive. they include:

Learning to Learn	**Goal Setting**
Interpersonal	**Self-esteem**
Negotiation	**Customer Relations**
Teamwork	**Basic Management**
Problem Solving	**Creativity**

3.3. Supervisory Skills

Supervisory skills include direct interaction with subordinates and on getting work done by, with, or through others. these skills include:

Evaluate Employees
Conduct Hiring Interviews
Disciplining Employees
Interpersonal Communication
Active Listening
Motivating
Coaching Subordinates
Confidence Building
Training
Conducting Meetings
Preventing Grievances
Staffing
Problem Counseling
Employee Goal Setting

3.4. Management Skills

Complex interpersonal skills which deal with finding solutions to organizational problems in a changing and complicated environment.

Administrative Leadersbip
Labor Relations
Personnel Management
Workforce Planning
Program Management & Evaluation
Formal & Informal Group Management
Budgetary and Financial Planning
Risk Management
Problem Analysis & Decision Making
Management of Information Systems
Information Management

3.5. Executive Skills

The ability to conceptualize the organizations role in the society and guide it to take advantage of external opportunities and to avoid external threats.

Media Relations
Public Speaking and Contact Skills
Leadership Assessment
Transformational & Visionary Leadership
Strategic Planning
Legislative & Lobbying
Interagency Team Work
Intergovernmental Relations
Management Philosophy
Policy Analysis
Organizational Development
Public Opinion Shaping

3.6. Four Main Functions Affecting Productivity

At this point let us examine four main activities that managers at all levels engage in and which impact on his or her performance. Most managers probably will agree that the three managerial functions vital to improving employee productivity and to which they devote much of their time are: delegation, counseling, and performance appraisal. In addition, from the aspect of time, meetings also consume a great part of their time.

DELEGATION can be defined in various ways:

Getting things done through other people.
Giving people things to do.
The art of passing one's authority to others.
Achieving specific results through empowerment of employees to accomplish some of the results for which the manager has final accountability.

Reasons for delegation:

1. Delegation improves manager's productivity by freeing him to attend to more important jobs such as planning, setting goals, tracking progress of his or her department.

2. To save money for the organization by accomplishing the job through other people who are paid less.

3. To train and develop subordinates by allowing them to do more complicated and important jobs.

4. To allow the manager to concentrate more on his or her job.

Appropriate delegation decisions can save you and your company money and time and reduce stress. Despite time and risks, delegation works; how well depends on some of the factors considered below:

Accept delegation as being necessary.
Specify goals and objectives.
Know employees' capabilities.
Agree on performance standards.
Provide necessary training.
Take an interest hut don't micro manage.
Evaluate results.
Provide appropriate rewards.
Let employee learn from mistakes.

COUNSELING and coaching is the continuing process in which the manager or supervisor acts as a counselor/coach for the subordinate. It is one of the important tasks of management through which employee training and development takes place. Counseling and coaching can be considered separate activities. Coaching is used when improvement of job skills and knowledge is required; counseling focuses on problems of attitude, motivation and personal problems.

Managers who are secure in their own skills and strengths help employees to learn and develop without fear that subordinates will take over. Ideally, the goal of counseling is to prepare employee to perform some of the managers job in order that manager can assume wider responsibilities. Specific objectives of counseling include:

To make certain that the employees know what is expected of them.
To develop the potential of employees for transfer to more important positions and promotion.
To help employees understand how they are doing compared with what is expected of them.
To enable employees to learn something new.
To help employees develop their own plan for improvement and to encourage them to improve.

Some guidelines for effective counseling. A good manager insures that the following is incorporated in his or her counseling techniques:

Makes certain the employee knows what is expected of him or her.
Makes time for regular coaching counseling sessions.
Shows interest in developing and grooming his employees.
Gives timely feedback.
Is prepared to listen.
Provides feedback to behavior the employee can do something about.
Knows each employee as an individual, with unique values, interests, attitudes and skills- and treats them that way.

PERFORMANCE APPRAISAL is a management tool for evaluating employee performance against a set of predetermined criteria. The appraisal's period is normally semiannual or annual. The appraisal session is confidential and usually task place in the manager's office. The **performance appraisal** has three main objectives:

1. To measure and document employee performance.

2. To prepare a training and development plan for the next appraisal period.

3. To assist in the assessment of people in relation to their promotion potential.

Guidelines for **performance appraisal** sessions:

Be honest but tactful.
Provide positive feedback as well as criticism.
Describe performance, not the person.
Be supportive of the employee's own goals and interests.
Be caring and concerned about the employee's feelings.
Create a mutual problem-solving atmosphere.
Be careful not to use language that may hurt the employee.

MEETINGS in many organizations consume a great deal of productive time which could be devoted to other job functions. Nonetheless, meetings are necessary to exchange information, receive or issue orders, make decisions or announcements, discuss some new developments or mediate conflicts. Unproductive meetings can be expensive to an organization and every effort should be made to insure that they contribute to organizational effectiveness.

Organizing and conducting better meetings may sound simple; however, many meetings fail primarily because of the lack of set procedures. The following guidelines may help you to **better organize and conduct your meeting**:

1. **Announce the overall purpose of the meeting and expected outcome.**
2. **Announce the starting and ending times of the meeting.**
3. **Participants role and responsibilities.**
4. **Agenda and priorities.**
5. **Establish climate of interdependence, objectivity, trust, and respect.**
6. **Allow all ideas to be heard.**
7. **Keep discussion on the subject at hand.**

8. Clarify, test, summarize ideas and issues.

9. Define the issue or problem discussed.

10. State objectives that when met will solve the problem.

11. Establish procedures for support and follow-up.

12. Summarize meeting's results and plan subsequent meetings.

13. Terminate and disseminate meeting's results as appropriate.

3.2. PUBLIC PERSONNEL MANAGEMENT

Edward J. Jasaitis, Ph.D. and Erika Daniene, MPA

This section of the handbook is designed to provide its users a foundation in personnel management theory and selected applications. More specifically, the objectives of this section are to provide its participants with: the personnel system's functions, explain its design and development, explain the competencies of the personnel managers and address a process for determining the training needs of agency personnel.

1. Introduction

What makes a good organization? People and their actions. Organizations do not act, individual members of the organization do. How and in what way they act determines the effectiveness of the organization. In this article we will consider the aspects of public personnel administration. The term public personnel administration can be considered to be the same as personnel management or human resource development. It also has two meanings:

- The term public personnel administration can mean: the organizations, policies and procedures used to match the needs of governmental agencies and the people that staff those agencies.
- The term public personnel administration also refers to the activities undertaken to attract, develop, and maintain an effective work force within the government's agencies and its service.

Efficient and effective personnel administration builds on **three fundamental assumptions:**

1. Every manager, and not just the people in the personnel section or performance personnel section - should pay attention to the development and satisfaction of the employees.

2. Employees are an asset. People, not buildings or computers, allow an organization to accomplish its mission.

3. Personnel management is a matching process, integrating the organization's goals with its employees needs.

Public personnel administration is restricted or governed by a different set of parameters than other types of organizations. It is bound by the legal, economical, and political dimensions which are applicable to government workers but not to the workers in the private sector. These aspects must be considered when one is examining or working in the public personnel administration. Publicity, restriction of certain political activities, legal restrictions as to salaries and benefits, etc. Laws and regulations applicable to personnel management in public organizations at the date of the printing of this hand book are as follows:

DATE	NO.	NAME	SUBJECT
Oct 25, 1992		Constitution Of The Republic Of Lithuania	
Mar 4, 1995	I-836	Lietuvos Respublikos Valdininkų Įstatymas	Establishes Civil Service System
Mar 6, 1995	I-842	Dėl Lietuvos Respublikos Valdininkų Įstatymo Įgyvendinimo	Suggestions to the Administration on how to implement the Civil Service Regulation Above
Oct 9, 1996	I-1581	Darbų (Pareigybių) Vertinimo Sistema	Provides guidelines for establishing compensation

Table 1. Applicable laws for the public personnel system.

2. The Public Personnel System

What is a personnel system? For the purpose of this section, a personnel system is considered as those activities and functions within an organization which impact or affect its employees along with the laws and rules which shape the administration of these functions. The following list illustrates the system graphically.

RECRUITMENT

SELECTION

CLASSIFICATION & COMPENSATION

TRAINING & DEVELOPMENT

PERFORMANCE EVALUATION

PROMOTION

WORK DISCIPLINE & GRIEVANCES

The term staffing refers to the three process or functions of the personnel system which are closely related and influence each other - recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge and skill.

The staffing process normally follows the following steps:

1. Identify personnel needs.*

2. Seek budgetary approval to create the position.*

3. Develop valid selection criteria.*

4. Recruit.

5. Test or otherwise screen applicants.*

6. Prepare list of qualified applicants.

7. Prepare list of qualified applicants.

8. Interview most highly qualified applicants.*

9. Select most qualified applicant.*

The line manager should be heavily involved in the steps marked with (*).

3. Recruitment

Recruitment should be an ongoing process based on the projection or estimate of future needs such as retirements, promotions, departures, firings, specialized needs, or organizational structure or mission changes.

Recruitment of best possible candidates for employment in your organization means more than just posting an announcement on a bulletin board or in a local newspaper. The process consists of using every possible source to reach qualified candidates in the labor market.

Positive recruitment program should include:

- Writing job announcements and application procedures in a clear, understandable language.

Announcements should contain:

1. Job title, classification, and salary range

2. Duty location

3. Description of job duties

4. Minimum qualifications

5. Starting date

6. Application procedures

7. Closing date for receipt of application

- Advertising in publications that circulate in various segments of the population and using other media such as radio and television.

- Visiting universities, high schools and community organizations.

- Developing continuing contacts with community organizations.

Recruitment Techniques: Public or governmental agency recruitment techniques may be either *Centralized* or *Decentralized.*

"Name Requests": Advise the "preferred" applicant to apply for eligibility. It is an attempt to combine merit and political responsiveness.

4. Selection

Selection on the basis of "relative ability" presumes being able to draw distinction among the qualifications of competing candidates fairly and objectively. Selection test should be those methods that provide best measure of the knowledge, skills, and abilities for successful job performance.

Once a competitive examination is completed, an employment list based on the examination results is established and the names of the highest ranking candidates is certified to the appointing officials for selection. The process is called certification. According to the merit concept, only a limited number of qualified candidates should be certified.

4.1. Comparison of Selection Methods:

Validity: measures what is intended. *Reliability*: selecting the best individual for the job

Method	Validity	Reliability	Cost
1. Biodata	moderate	high	low
2. References	low	low	low
3. Aptitude test	moderate	moderate	low
4. Character or trait Tests	moderate	moderate	low
5. Ability	moderate	moderate	moderate
6. Performance Tests	high	moderate	moderate
7. Interviews	low	low	high
8. Assessment centers	moderate	high	high
9. Probationary appointment	very high	very high	very high

Personnel systems usually follow the rule of three, which permits the appointing official to choose from the top three candidates. Why the rule of three? First to overcome the

criticism that written examinations can not appraise personality factors adequately or reveal serious personal problems. Second to bring in the appointing officials into the selection process.

5. Classification

Classification involves the practice of identifying the duties and responsibilities of each position within an organization. This allows the management and employees to know and understand their position and contribution to the overall goal of the organization. It also provides a basis on which to recruit and select the best individual for the job. The process of identifying the duties and responsibilities of a job is called job-task analysis.

5.1. Job-Task Analysis

Job-Task Analysis (**JTA**) is a process of determining the tasks that make up a job and the skills, abilities, and responsibilities an employee needs to successfully accomplish that job. Interviews, surveys, self-reports, and expert-observer rating scales are some of the data collection procedures for **JTA**.

It is very important that this classification process and the job-task analysis involve the manager or the supervisor and the individual who is performing the job along with the technician who performs the job classification process and the job-task analysis.

Job-Task Analysis provides information on the following:

TASKS:	Behaviors, duties, or functions important to the job.
CONDITIONS:	Conditions under which the job or tasks are performed
STANDARDS:	Performance results in terms of quantity, quality, and time
SKA:	Skills, knowledge, and abilities required to perform the job.
QUALIFICATIONS:	Education, experience, and other qualifications necessary.

The outcomes of a **JTA** is a **Job Description** and Job Specification.

The **Job Description** is statement that provides information about :

Job Tittle	**Supervision**
Duties	**Working Conditions**
Machines or Materials used	**Hazards**

The Job Specification provides a statement of individual's qualification needed to perform the job which includes:

Education	**Physical abilities/skills**
Work Experience	**Communication Skills**
Judgment	**Responsibility**

Sample Job Description

JOB: Director, Human Resource Development Department (HRDD)

- The HRDD Director reports to Assistant Minister for Management and Human Resources.

- The HRDD Director oversees the training and career development programs of the Ministry to enhance employee performance, professionalism, and positive labor/management relations.

RESPONSIBILITIES:

- Supervises and coordinates the training plans and activities of the Ministry.
- Explores and develops new training programs, methods and techniques and recommends their adoption.
- Coordinates with and assists all Ministry departments in planning and scheduling employee training.
- Develops the Ministry's training and development budget.
- Maintains adequate supply of training materials within the boundaries of the training budget.
- Plans and implements training conferences for the Ministry officials and employees in the

area of organization, professional, and personal skill improvement.

- Provides staff assistance to all Ministry's departments in specialized areas such as Education, Awards and Recognition or others as needed.

SUPERVISES:

- Five departments consisting of 35 employees.

QUALIFICATIONS:

- Master of Public Administration with specialization in Human Resource Development and five years experience as manager in the field of training and development in a large organization.

6. Compensation

The process of determining equitable and adequate employee compensation. Like the position classification, compensation of public employees is very important and often a very controversial part of public personnel administration. The importance to the employee of an adequate and equitable compensation is very apparent. If the employee perceives that the plan is unfair, conflict is likely.

How much is an employee worth to an organization? An employee is worth what the employer is willing to pay for his or her services and or what the market conditions determine. People and their elected officials want clearly established salaries that make budget projections possible, without those salaries or benefits being "excessive" in comparison with elsewhere in the public sector. The law which provides guidance on how to establish compensation is:

DARBŲ (PAREIGYBIŲ) VERTINIMO SISTEMA, Nr. I-1581, October 9, 1996. This law establishes the parameters on which to base considerations for job classification and compensation. However there are other considerations when explaining to the employee his or her salary considerations.

Factors Impacting Compensation:

Economy (job market) **Fringe benefits**

Minimum wage laws **Security**

Work environment/benefits

In determining job compensation the following factors should be considered as well:

Market Conditions Seniority Social Equity Salaries of classified employees

7. Training & Development

The process of training, formulation of employee training strategies, and the types of training that can be used to improve employee performance and promotion potential. Everybody talks about training because most of the time it can be an enjoyable and useful activity. Training provides an increase in skills and a anticipated change in behavior and can result in increased employee or organizational productivity.

Training, however, is only beneficial where there is individual or organizational skill deficiency. It will not solve problems caused by improper selection criteria, job design, or compensation. It will not solve problems caused by improper organizational structures or managerial processes. Environment and lack of proper technology can also cause problems that do not lend themselves to solutions by training.

7.1. Types of training

PRE-ENTRY: Education, Training, Experience (Recruitment and Selection Criteria)

ORIENTATION: From two viewpoints.

Employee's perspective: Personal benefits / work requirements / where and how to get assistance

Employer's perspective: Job performance.

Break in: Cover four general area's:

1. General position description data.

2. Organizational benefits, policies and services.

3. Organizational objectives, structure and setting.

4. Position tasks, conditions and performance standards.

IN-SERVICE TRAINING:

- Performance Training. Given to improve skills for on the job performance, new technology, changes in job positions.

- Supervisory Training. To develop interpersonal and administrative skills to improve worker performance or attitude.

- Management Training.

- Organization Development/Team Building/Collective.

PERSONAL DEVELOPMENT:

- Assessing training needs.

- Designing training program.

- Evaluating training programs.

*Program/Course (Instructor/Trainee)

*Performance Based

*Trainee on the job after several months

*Supervisor's Evaluation/Interview

*Review of Records before and after (Complaints, rejections, etc.)

8. Performance Evaluation

Performance evaluation plays a key role in the development of the employees and productivity in organizations. Through the process the employee receives feedback on his or her performance and the organization or management receives an appraisal of the employees shortfalls and potential on which managerial decisions concerning the person's development

needs and promotion potential can be based.

The performance evaluation process rarely satisfy the supervisor or the employee. On the one hand it is viewed as a waste of time, and on the other, it is a basis for distributing organizational rewards. The problem lies in the perception of the process which may be seen as based on favoritism and subjectivity and lack of a system that could make it objective and agreeable to all.

Performance evaluation is a critical process to an organization's management decisions, its personnel system and the employees themselves. Effective performance evaluation and its use will allow the organization to function more efficiently by preventing possible conflicts and providing an opportunity for the best employees to move up the responsibility ladder.

Constructive counseling and evaluation techniques provide a process which allows for the development and advancement of personnel necessary for productive organizations and the creation of efficient and effective government organizations.

EMPLOYEE APPRAISAL FORM

NAME_____ POSITION_____ DEPT_____

	5	4	3	2	1	unk
Performance factors						
1. Effectiveness:	—	—	—	—	—	—
2. Use of time & resources	—	—	—	—	—	—
3. Prompt completion of work	—	—	—	—	—	—
4. Thoroughness	—	—	—	—	—	—
5. Initiative	—	—	—	—	—	—
6. Perseverance	—	—	—	—	—	—
Skills, abilities & knowledge						
7. Technical skills	—	—	—	—	—	—
8. Communication skills	—	—	—	—	—	—
9. Judgment	—	—	—	—	—	—
10. Analytical ability	—	—	—	—	—	—
11. Ability to influence others	—	—	—	—	—	—
12. Ability to organize	—	—	—	—	—	—
13. Flexibility & adaptability	—	—	—	—	—	—
14. Creativity & imagination	—	—	—	—	—	—
15. Ability to develop subordinates	—	—	—	—	—	—
Ethics						
16. Loyalty to department	—	—	—	—	—	—
17. Loyalty to peers	—	—	—	—	—	—
18. Loyalty to subordinates	—	—	—	—	—	—
19. Sense of ethics	—	—	—	—	—	—
20. Cooperation	—	—	—	—	—	—
21. Responsibility	—	—	—	—	—	—
22. Commitment to service	—	—	—	—	—	—
23. Open-mindedness	—	—	—	—	—	—

EVALUATOR_____ DATE_____

THE ABOVE APPRAISAL WAS REVIEWED WITH ME.

SIGNATURE OF PERSON EVALUATED_____ DATE_____

COMMENTS:_____

8.1. Promotion

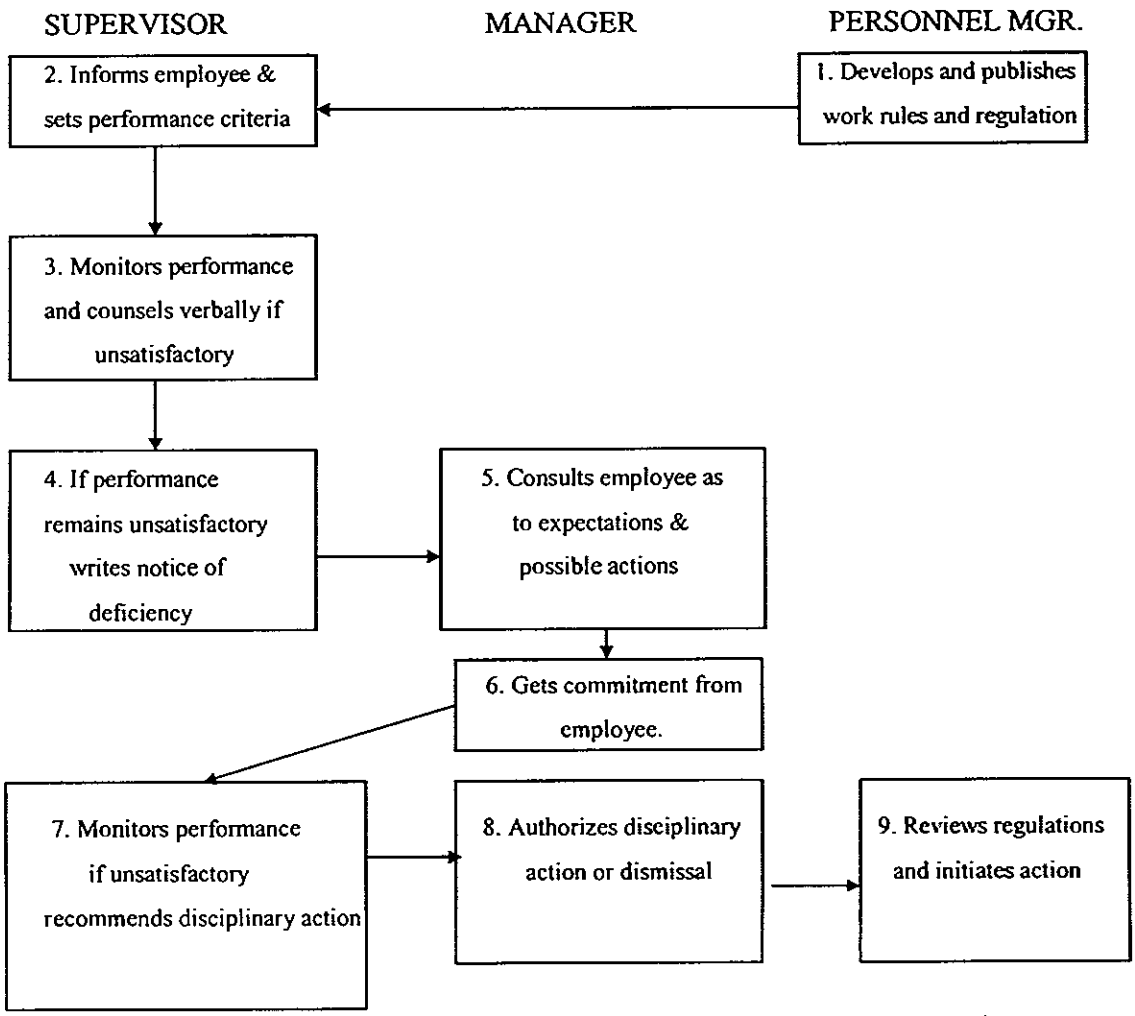
The process of providing a procedure for the identification, evaluation and selection of employees for promotion within an agency.

A career service must provide opportunity for advancement. However this does not prevent an agency filling positions from outside as well as from inside of he organization. This prevents inbreeding and allows organizations to obtain outstanding persons from other organizations. Filling upper positions with highly qualified persons from inside the organization is necessary to maintain organizational morale and vitality.

9. Work Discipline

The process of impartial disciplinary policy and methods for employees to refute punitive actions which they feel are unwarranted.

DISCIPLINARY ACTION PROCEDURES



9.1. Grievances

The process for employees to refute punitive actions which they feel are unwarranted.

RIGHTS:

Public servants face many constraints imposed on their personal and political rights. The sources of these restrictions are laws passed by the Parliament as well as regulations and decisions on individual cases made by the Civil Service Commission or the Office of Personnel Management if there is one. If you do have them now some times in the future organizations will be created that monitor the merit systems and some type of Government Labor Relations Authority.

State and local employees are constrained by laws, ordinances, and rules enacted by their employers. Among the issues that cause difficulties are:

1. Restrictions against public criticism of the government, its policies, or the activities of one's own department.

2. Involvement in political campaigns as candidate, campaign manager, aide or speaker, including wearing a campaign button.

3. Pursuit of certain personal practices, such as those involving hairstyle, dress, the character of one's associates, or sexual preferences.

4. Affiliation with "radical" political organizations.

5. Required lie detector tests or other inquiries, with respect to behavior on the job or personal activities that may be considered suspect.

The courts are the final arbiters of employees' rights in these matters. On one side are government claims of its rights, as employer, to carry out personnel policies that are consistent with the enactments of the legislature.

On the other side are employee assertions of their own inalienable rights, especially those guaranteed in constitution. (Freedom of speech and press, peaceful assembly, and the right to petition government for a redress of grievances). No rights are absolute. Courts have acted in ways that limit both sides on the issues discussed above.

3.3. TOTAL QUALITY MANAGEMENT IN THE PUBLIC SECTOR:

THE POTENTIAL FOR LITHUANIA

Earl Mathers, MPA

1. Introduction

Although it was once viewed as a management system appropriate only for industrial companies, **Total Quality Management (TQM)** is now recognized as having the potential to transform service organizations and public institutions as well. **TQM** can be accurately referred to as a management system or philosophy and for many subscribing institutions, **TQM** becomes a way of life. From the remarkable accomplishments of former Mayor Joseph Sensenbrenner in Madison, Wisconsin, to the less well known **TQM** programs in Gillette, Wyoming, cities have effectively applied the concepts developed by Dr. W. Edwards Deming and others. **TQM** can be defined as a system which focuses on both the technical and human aspects of organizational activity in a manner that can result in continuous improvement of the products and services produced.

Everyone who has been involved in management for more than a few years has seen a variety of fads come and go, often creating only fleeting recognition. **TQM** is much more than the latest management fad. It is, in fact, a holistic approach to management which can be applied to organizations of various sizes engaged in all kinds of productive activity. **TQM** has also stood the test of time since its genesis and application in Japanese industry during the early 1950's. It must be acknowledged however, that **TQM** will not immediately transform any organization. Under the best of circumstances, considerable time, effort and, most importantly, commitment will be required for implementation. **TQM** is not, to use Dr. Demings words, "instant pudding."

This paper will not delve into the history of the development of **TQM** or the life and work of Dr. Deming, although these are interesting stories. Rather, the focus of this effort is to provide a brief introduction to the application of **TQM** techniques in the public sector. Volumes dealing with various facets of **TQM** have been produced. Please refer to the bibliography for a listing of additional sources.

Government at all levels in Lithuania continues to be in transition. New public administration concepts, often based on western models, are considered and sometimes applied by Lithuanian officials to meet existing and emerging demands for services provided by the public sector. In Panevezys, Lithuania, several management techniques which complement TQM such as strategic planning and team building have been utilized on a limited basis with some success. The very fact that government is in a transitional state, provides officials with an opportunity to apply a variety of management practices such as TQM. In terms of overcoming bureaucratic inertia, timing is important and the present may well be the appropriate time to implement these techniques in Lithuania.

2. Historical Context

Management has clearly evolved throughout the twentieth century. From the scientific management perspective of Frederick Taylor to Douglas McGregor's Theory X and Theory Y Assumptions, a great deal has been learned about the way people work in complex organizations. On the one hand, management perspectives and systems seem to come into vogue only to pass into virtual obscurity in a few short years. Significantly, however, many of these management perspectives have contributed vital elements of contemporary management philosophy. While TQM is essentially original in terms of the way specific elements of the conceptual framework are applied, the thinking of Dr. Deming and other TQM pioneers was clearly influenced by the work of others.

3. Public Administration Context

Management practices devised for the private sector have frequently been adapted for use by public organizations, often with highly satisfactory results. It is abundantly clear that there is a high degree of complementarity between the demands of managing private enterprise and public institutions in terms of what solutions work. There are, however, some distinct differences. Perhaps the most fundamental is the fact that the implementation of new methods resulting in greater efficiency may not produce financial incentives for public sector employees. Generally, public sector organizations are not concerned with issues such as increasing market share or sales growth although some parallels with these private sector concerns may be present on occasion. Some argue that the various forces which drive the rational allocation of resources in the private sector exert minimal influence on policy making, management and program development in the public sector. While bureaucratic inefficiency, interest group pressure, the entrenchment of governmental agencies and other factors sometimes limit the rational allocation of public resources, this situation is changing. Public administrators are forced to

respond, however, as public demands for services outstrip available resources and ever greater efficiency and accountability are required in the public sector. In the future, utilizing more businesslike approaches to managing in the public sector will be virtually inevitable.

In public administration today, accountability the demand for greater transparency and the mandate to increase citizen access to government are often in juxtaposition with fiscal constraints. Under these conditions, it is clearly advantageous for public entities to apply management strategies which promote efficiency and organizational effectiveness. Good private sector management practices may look a great deal like their public sector counterparts and, with the appropriate modifications, can improve the effectiveness of local governments.

4. Overview of TQM

TQM is a management system which focuses on continuous improvement in the way an organization conducts business. Specifically, **TQM** allows organizations to continuously improve products and services based on customer specifications and/or performance standards. This obviously requires clear operational definitions of what the customer desires in a particular product or service. Ideally, **TQM** is implemented system-wide. Top management must adopt the philosophy and demonstrate genuine commitment in order to insure success. In larger units of government, **TQM** practices have been established in specific organizational sub-units such as the police department or transportation division with good results. Above all, **TQM** is customer focused, an acknowledgment that customer satisfaction is the ultimate measure of success for any organization. For public entities, constituents are the customers and are sometimes referred to as stakeholders. While Statistical Process Control (SPC) is an important dimension of **TQM**, the role of employees is strongly emphasized and individuals working within a **TQM** framework are said to be empowered, even as their objectives become most closely aligned with those of the organization. **TQM** is designed to produce sustainable, long-term improvement in the organization's products and services. In addition, dramatic improvements in the quality of worklife for the organization's employees are often possible.

Deming's Fourteen Points[1]

I. Create constancy of purpose toward improvement of product and service, with the aim to become competitive and to stay in business, and to provide jobs.

II. Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.

III. Cease dependence on inspection to achieve quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.

IV. End the practice of awarding business on the basis of price tag alone. Instead, minimize total cost. Move toward a single supplier for any one item, on a long-term relationship of loyalty and trust.

V. Improve constantly and forever the system of production and service, to improve quality and productivity, and thus constantly decrease costs.

VI. Institute training on the job.

VII. Institute leadership. The aim of supervision should be to help people and machines and gadgets to do a better job. Supervision of management is in need of overhaul, as well of supervision of production workers.

VIII. Drive out fear, so that everyone may work effectively for the company.

IX. Break down barriers between departments. People in research, design, sales, and production must work as a team, to foresee problems of production and in use that may be encountered with the product or service.

X. Eliminate slogans, exhortations, and targets for the work force asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the work force.

XI. Eliminate work standards (quotas) on the factory floor. Substitute leadership.

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[1] W. Edwards Deming, *Out of the Crises* (Massachusetts Institute of Technology, Center for Advanced Engineering Study, Cambridge, Mass., 1986), pp. 23-24.

- Eliminate management by objective. Eliminate management by numbers, numerical goals. Substitute leadership.

XII. Remove barriers that rob the hourly worker of his right to pride of workmanship. The responsibility of supervisors must be changed from sheer numbers to quality.

- Remove barriers that rob people in management and in engineering of their right to pride of workmanship. This means, inter alia, abolishment of the annual or merit rating and of management by objective.

XIII. Institute a vigorous program of education and self-improvement.

XIV. Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job.

5. The Changing World of Public Administration

To an extent greater than ever before, the public today demands high levels of accountability, transparency and access with respect to local government.[2] Progressive jurisdictions recognize that citizens are their customers or stakeholders and have a legitimate right to carefully scrutinize governmental affairs. If this accepted as reasonable and we begin to develop a customer friendly approach to managing local government, then it becomes increasingly easy to discover myriad possibilities for cooperation and community capacity building. Resistance to contemporary influences on public management could be fatal. Public or constituent involvement is highly consistent with the tenets of TQM. If the objective is continuous improvement of the product or service, the organization must be fully aware of the customer's specifications. This information can only be gleaned from ongoing and non-confrontational communication between the local government and its stakeholders.

Austere budgets and demands for higher levels of efficiency in local government have spawned a variety of strategies associated with innovative service delivery. Some Lithuanian municipalities currently face the vexing problem of attempting to address ever increasing service demand with substantially lower revenue. In essence, many local governments are beginning to manage their organizations more like businesses in order to resolve this problem. Public/private partnerships have proliferated and many former public services have been privatized. In some cases, specific departments within local governments may actually be in

[2] David Osborne and Ted Gaebler, *Reinventing Government* (Plume, a division of Penguin Books, NY, 1992), p. 15.

competition with private sector companies offering the same service. Although there are always exceptions, many observers believe that these trends will lead to increased efficiency in local government and less need for increased tax revenue. User fees, increasing intergovernmental cooperation and decentralization are but a few examples of other trends that are redefining the nature of local government service delivery.

In order for there to be climate in which innovation and proactive change can flourish, a significant paradigmatic shift is often necessary. For many jurisdictions, **TQM** can provide the holistic approach required for viable systemic change and the development of an organizational culture which fosters and nurtures innovation. Because **TQM** allows for higher levels of participation by all internal and external stakeholders, it can be considered democratic in a very direct sense. In Lithuania the structure of the political system currently makes local elected officials more responsive to their political parties than to their constituents. Applying the participative aspects of **TQM** could help to ameliorate this problem. For some managers with a strong need to control, this may be perceived as an affront to legitimate authority. However, empowering employees and other stakeholders in a way which produces shared priorities and higher levels of satisfaction is far more rewarding than threatening. In the contemporary management environment, leaders are fairly judged by their ability to achieve desired results through their subordinates and other affiliated groups. The team management orientation of **TQM** helps to make this possible.

The widely influential management scholar, Dr. Peter Drucker, coined the term "knowledge worker" several decades ago. Advanced economies are increasingly dependent upon knowledge workers with specialized expertise to maintain their competitive edge in business, industry and in public administration. Kenichi Ohmae has stated that "the prosperity of countries depends on their ability to create value through their people, and not by husbanding resources and technologies."[3] While there continue to be examples of successful resource based economies, the countries which are most successful in the global economy increasingly rely on skilled knowledge workers as their greatest asset. In their watershed book Reinventing Government, Osborne and Gaebler discuss many aspects of governing in a contemporary environment that is characterized by the global marketplace, competitive pressure and access to vast amounts of information.

> "In this environment, bureaucratic institutions developed during the industrial era – public and private – increasingly fail us.

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[3] Kenichi Ohmae, *The Borderless World* (McKinsey & Company Inc., NY, 1990).

> Today's environment demands institutions that are extremely flexible and adaptable. It demands institutions that deliver high quality goods and services, squeezing ever more bang out of every buck. It demands institutions that are responsive to their customers, offering choices of non-standardized services; that lead by persuasion and incentives rather than commands; that give their employees a sense of meaning and control, even ownership."[4]

While there are exceptions, it is clear that cumbersome, impenetrable bureaucracies and a paternalistic attitude toward the public are no longer acceptable. A new frame of reference and a management system which enables local governments to deliver quality services efficiently are the standard today.

6. Major Principles of TQM

Some aspects of a fully operationalized **TQM** system can appear complicated to the casual observer. However, most of the statistical tools used in **TQM** are not difficult to master and the basic questions that drive an integrated program are straight forward. These questions center around providing ever increasingly levels of satisfaction to customers by reducing variation in product or service delivery. Continually redefining customer expectations in relation to organizational goals and quality standards is an important part of the process. In turn, specific actions are taken to align the goals of employees or internal stakeholders with those of management and the organization. Most organizations have goals and demonstrate varying levels of concern for their customers. The beauty of **TQM** lies in the fact that it provides the organization with a complete and systematic means of addressing these issues.

6.1. Management Responsibility

Dr. Deming made the point that quality was 85% the responsibility of management and 15% the responsibility of employees. In order for a quality transformation to be made in any organization, top management must demonstrate both commitment and active involvement. In Deming's words: "Support of top management is not sufficient. It is not enough that top management commit themselves for life to quality and productivity. They must know what it is that they are committed to – that is, what they must do. These obligations cannot be delegated. Support is not enough: action is required."[5]

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[4] *Reinventing Government*, p. 15.
[5] *Crises*, p. 21.

TQM is a long-term solution; not a quick fix. Effective implementation requires leadership and is best achieved in a learning organization that allows managers and employees the opportunity for self-realization. If an organization provides its employees with the opportunity to learn and grow professionally, organizational development usually follows. Indeed, the expectation of such opportunities characterizes the type of knowledge workers that help to make organizations successful today.

6.2. Variability versus Constancy

TQM experts agree that variability in a product or service is the enemy of quality. Many technical works have been written about reducing variation, particularly in the manufacturing process. Managers of public and service organizations should be concerned about variability as well. For example, most organizations want customers to believe that the organization is genuinely concerned with serving their needs. One of the reasons Wal-Mart stores have captured an increasingly larger share of the U.S. retail market is customer service and consistency. Posting greeters at the door, a liberal return policy and training clerks to know that their first priority is the customer are a few of the strategies Wal-Mart uses to produce consistency of service and to sustain their competitive edge.

6.3. Incremental Adjustment versus System Optimization

Many managers spend much of their time fighting fires and dealing with problems resulting from dysfunctions within the organization. For this reason, they have little time for "strategizing" or for exercising leadership. The tendency is to make incremental changes that provide only a short-term solution to specific operational problems. Although TQM often focuses on very specific problems, by applying the same techniques throughout an organization and promoting a much more participative approach to management, system optimization is possible. In fact, managing any organization is accomplished in a dynamic environment where more or less continuous monitoring of customer needs and appropriate adjustment allows for near optimization of performance. The idea is to stabilize the system and establish the mechanisms which enable it to respond well to new and existing demands. True optimization in the application of organizational resources may be elusive. Constructing a system which is responsive, integrated and satisfying to ever changing customer demands represents true, long-term organizational strength.

7. Cultural/Philosophical Values of TQM

Continuous Improvement - All members of the organization are quality oriented and knowledgeable in the requirements of the program.

Customer Focused - It is difficult for public sector entities and the people that work within them to grasp the importance of placing the customer (constituent or public) first. However, the local government exists for the people and must be highly responsive to their needs.

Empowerment of Employees - By involving employees in the decision-making process at various levels, more useful information and better decisions will result. In addition, job satisfaction will be greatly improved when employees have a vested interest in the success of programs and activities they helped to formulate.

Flexibility - By cultivating employees and by learning to identify and respond to stakeholder needs, organizations acquire the flexibility needed to stay on top.

Innovativeness - Active employees that are aware of and responsive to organizational goals are in a position to devise innovative solutions. This is especially true if they believe that their ideas will be taken seriously and implemented if practical.

Efficiency - If efficiency is defined as producing the desired result with the least expenditure of resources, this is really the essence of **TQM**.

Effectiveness - It doesn't really matter how well an organization does a particular thing if it is the wrong thing that is being done. **TQM** is about priorities: what needs to be accomplished and what methods best satisfy those needs.

Shared Priorities - Effective leadership is often a matter of aligning the priorities of the internal and external stakeholders with those of the organization. This is more easily accomplished if it can be demonstrated that benefits are shared as well.

Increased Value - The value of a product or service is ultimately determined by the consumer in most cases. Although local governments often have a virtual monopoly, they are nonetheless subject to considerable influence from their constituents in democratic societies. As stated above, the public demands a good value for their tax dollars today and local governments rarely have excess revenue.

Waste and Cost Reduction - TQM programs strive to deliver the right product or service the first time. Reworking or replacing products and making corrections that result from mistakes made in service delivery are expensive and a drain on resources that could be applied to other more productive ventures.

8. Additional Paradigms

To an extraordinary degree, TQM is compatible with several other contemporary management practices including strategic planning and employee participation or team management. Some TQM aficionados might argue that TQM embodies these practices. It is clear that TQM is highly participative and several of Deming's fourteen points, when implemented, will tend to enhance the capacity for team based work activity. Good strategic planning involves mission statements, goal setting, action plans and evaluation loops. In addition, successful strategic planning efforts are driven by good, objective information. TQM enables organizations to produce reliable data to guide the decision making process.

Synergistic outcomes of a high order can result from the interaction of TQM and other well accepted public administration practices. Local governments today are concerned about building capacity from within and utilizing resources, that, while already in existence, are not fully utilized. To accomplish this, the boundaries typically present in a representative democracy must be opened so that the governed have opportunities to interact with elected and appointed public officials. TQM can facilitate this process in a variety of ways such as public meetings, surveys and broadening the membership of planning teams. In TQM terminology, this is referred to as listening to the voice of the customer. Both the image and effectiveness of local governments in Lithuania could be improved by increasing stakeholder access to the decision-making process. As Scherkenbach points out, it is essential that the organization hears the voice of the customer clearly so that operational definitions of a good product or service are highly congruent.[6]

9. Benefits of TQM

Not surprisingly, the benefits of TQM can be broadly classified as benefits to the organization and benefits to stakeholders. Many local governments tend to stifle creativity as employees develop a bureaucratic, status quo mind-set. TQM can, by creating opportunities for free and open communication, release the creative genius of employees. Often, these employees

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[6] William Scherkenback, *Deming's Road to Continual Improvement* (SPC Press Inc., Knoxville, Tennessee, 1991), p. 210.

are in the most advantageous position to identify innovative solutions to the problems of local government service delivery. By sharing information in a multilateral manner and involving employees in the decision-making process, those employees begin to develop a sense of ownership in the organization and responsibility for quality service delivery. When one has been involved in making a decision or developing a program it is human nature to work hard to make that decision or program successful.

Because common goals are clearly communicated within the **TQM** framework, it becomes easier to overcome interdepartmental rivalries and other negative manifestations of internal competition. In addition, interdisciplinary teams may work together to resolve problems or make plans in a manner that further alleviates tension. Although little definitive information from the public sector exists, it is likely that turnover and perhaps absenteeism as well, will diminish in **TQM** organizations because employees develop a vested interest in the work they perform. As mentioned above, top management must promote learning systematically so that all employees can work smarter. The benefits of doing so cannot be overstated.

Gains in quality and productivity are the fundamental reason most organizations implement **TQM**. Many different things influence productivity. Because **TQM** is about doing things right the first time, waste and hence cost are reduced and productivity is increased. For a variety of reasons, the demands on public entities seem to be changing rapidly these days. A well integrated **TQM** program will allow an organization to respond effectively to a broad range of competing demands. In order for local governments to serve the needs of their communities effectively, a high degree of flexibility and the ability to define priorities consentually are essential.

Accountability to the public can no longer be ignored by local government officials. Citizens are much more knowledgeable today and clearly recognize that the will of the public should be reflected in local government policy. It has been acknowledged that bringing people closer to local government produces higher levels of trust and better information exchange.[7] Buss and Vaughn have made a very strong case for citizen involvement and surveying the needs of program recipients as a means of avoiding policy blunders that are costly and diminish the credibility of local governments.[8] **TQM** can establish the channels of communication which

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[7] *Reinventing Government*, p. 277.
[8] Terry Buss and Roger Vaughn, *On the Rebound* (Council of State Policy and Planning Agencies, Washington, D.C., 1988).

enhance local government accountability while improving the flow of information sufficiently to give policy makers a clear understanding of what it is they are accountable for.

TQM also provides significant benefits to employees, even in public organizations that are unable to provide performance based financial incentives. Many contemporary management theorists and practitioners have concluded that employees respond very well to increased responsibility. Working within a TQM system provides people with significant opportunities for professional growth and the development of new skills. Pride of workmanship translates almost directly to quality of product or service delivery if the system operates sufficiently well and employees possess clear operational definitions of what is demanded. In short, greater responsibility and variety of work dispose employees to align their professional goals with those of the organization to the benefit of all concerned.

10. Conclusion: Implementing TQM

"It takes courage to admit that you have been doing something wrong, to admit that you have something to learn, that there is a better way." Dr. Deming

Public officials in Lithuania will benefit from the realization that abandoning anachronistic and inefficient practices in favor of responsive governmental systems will bring credit to them and to the organizations they are responsible for managing. Evidence of the need for change is compelling. While full-scale implementation of TQM might well take years to accomplish, some of the practices mentioned above could be implemented almost immediately with desirable results.

Establishing a TQM program is a long-term commitment that requires considerable effort and investment on the part of all those involved. While there are some universal requirements, the precise method of implementation varies considerably from one organization to the next. The following suggestions will move the organization forward in the initial phase and will lead to the acquisition of the knowledge required to proceed to full-scale program implementation.

Inform the Organization - After top management has made the decision to make the quality transformation and accomplished an initial study of TQM literature, they should communicate their new vision of the organization to all internal and external stakeholders. Subsequently, a new mission statement may be developed by consensus and with widespread input.

Appoint a Quality Manager - Someone needs to be responsible for the day to day aspects of quality management. Top management can, in no way, abdicate their commitment. Therefore, the individual responsible for quality management should report directly to the organization's top management, preferably to the chief executive officer. Many organizations find it helpful to retain a skilled consultant, at least during the initial phase of implementation. If this course of action is chosen, make sure that careful screening and reference checks are performed. Alternatives include hiring a quality manager from outside the organization, which could be difficult in countries where **TQM** is not widely known, or training an existing staff member. Training an existing staff member will slow the implementation process but, care should be taken to insure that the individual is well trained. In some cases, a consultant can share part of the load until the program is established.

Training - It is critical that all employees receive at least an overview of **TQM**. Designated employees, particularly departmental level directors and supervisors, will need more in-depth training. A basic understanding of statistics is an important foundation requirement. In addition to enabling employees to effectively implement **TQM** programs, training should emphasize the philosophy and values associated with **TQM**.

Communicate the Vision - After a working knowledge of **TQM** has been developed among key people within the organization and the employees are reasonably familiar with the process, the public needs to be informed. These external stakeholders should play a vital role in reshaping the local government in a way that better reflects community perspectives and priorities. The unveiling of a new, but perhaps not finalized city mission statement could be an appropriate time to share with the community the new management philosophy of the city and obtaining public support.

4. MUNICIPAL ECONOMIC DEVELOPMENT

4.1. MUNICIPAL ECONOMIC DEVELOPMENT PRACTICES

Earl Mathers, MPA

1. Introduction

Economic development activities become big news when a major business relocation occurs. In the U.S. most people equate economic development with "smokestack chasing" or industrial recruitment. Indeed, the primary emphasis of most economic organizations in the past was on this particular economic development strategy. Today some economic development organizations continue to focus their efforts on activities which are exclusively related to industrial relocation. Many other organizations take a more holistic and progressive approach to economic development. Organizations of the latter type recognize that, in many cases, more internally focused economic development strategies have greater impact and more durable results.

This paper is an overview of the process of economic development at the local level. Unquestionably, economic development is a process opposed to a single event, regardless of what the newspaper headlines say. Even the newsworthy announcement of the relocation of a major industrial facility is usually the culmination of a process that was initiated months or even years before. Although this paper will not be an exhaustive analysis of the practice of economic development, it will provide a representative sampling of the methods, strategies and requirements associated with the process. Information gleaned from the author's experiences working with economic development entities in the U.S., Lithuania, and other countries will be used to illustrate economic problems and solutions. It is rare for a specific strategy that has been designed to meet the requirements of one local economy to perfectly match the requirements of another community. People, cultures and economies are exceedingly varied and consequently, strategies must be customized. While there are some recommended approaches, there is no a single formula for success. Rather, a balanced approach utilizing several complementary economic development techniques tends to produce the best results.

2. Factors Influencing Economic Development

Because economic development is a process which occurs over an extended period of time, programs, designed to influence the process require long term commitment and dedication to produce results. Many jurisdictions have made the mistake implementing strategies prematurely. This often happens because there is insufficient analysis of the capacity an area has for economic development in terms of workforce readiness, telecommunications, market access, industrial support services and other factors. There are, in fact, a number of factors which interact to produce economic activity. These factors vary by location and by industrial sector. For this reason, the most pragmatic and effective approach to designing an economic development program is to carefully and objectively analyze the capacity the community has for the growth and expansion of industry.

The factors which influence economic activity originating within a community are not necessarily the same as those which stimulate industrial relocation. There is a good deal of overlap between the two sets of factors, however. Recruiting new industries to an area is the activity which is most commonly associated with economic development organizations (EDOs). Some EDOs focus their efforts on this activity while others take a more diversified approach that emphasizes several concurrent strategies. The author recommends a more diversified approach to stimulating economic development which begins with an analysis of the current local environment. It is helpful to know what factors industrial site selection personnel, as well as local business people, are concerned about so that analytical efforts can be focused on specifics. The following list was taken from one of the leading industrial site selection magazines in the U.S.

Ranking	SITE SELECTION FACTORS	1993	1994
1.	Highway accessibility	87.1	96.8
2.	Labor costs	90.3	93.5
3.	Energy availability and costs	83.2	83.4
4.	Availability of skilled labor	88.8	91.9
5.	State and local incentives	83.0	89.3
6.	Environmental regulations	77.4	88.2
7.	Tax exemptions	83.0	87.9
8.	Occupancy or construction costs	85.5	87.3
9.	Availability of telecommunications services	80.7	87.0
10.	Availability of land	72.5	82.9
11.	Cost of land	70.2	80.7

12.	Low union profile	75.9	80.1
13.	Nearness to major markets	76.9	79.5
14.	Right to work state	70.6	72.3
15.	Accessibility to major airport	57.4	71.7
16.	Availability of long-term financing	88.9	71.6
17.	Nearness to suppliers	58.8	68.9
18.	Raw materials availability	60.1	66.3
19.	Worker/technical training programs	60.8	66.1
20.	Availability to unskilled labor	54.2	62.0
21.	Railroad service	28.6	31.6
22.	Nearness to technical university	32.6	29.2
23.	Waterway or ocean port accessibility	20.6	27.4

Table 1 . Combined Ratings of Site Selection Factors

Ranking	QUALITY-OF -LIFE FACTORS	1993	1994
1.	Low crime rate	86.6	87.2
2.	Health facilities	81.1	81.4
3.	Ratings of public schools	80.5	76.8
4.	Housing costs	80.1	76.3
5.	Housing availability	76.8	75.0
6.	Recreational opportunities	60.0	60.4
7.	Climate	62.0	57.1
8.	Cultural opportunities	59.3	55.0
9.	Colleges and universities in area	56.6	52.4

Table 2 . Combined Ratings of Quality Life Factors

*All figures are percentages and are the total of "very important" and "important" ratings of the Area Development site selection survey.

From an industrial attraction perspective, thought must be given to community preparedness and the resources available to meet the demands of the targeted industry. Community analysis for the purpose of enhancing local business development and expansion will generally be complementary to the industrial attraction format although some disparities may exist. There are a number of factors which are important to relocating, expanding and developing business. Clearly, these factors are not of universal importance to industry. Even highway accessibility, ranked number one in this survey will be much less important to some industries than to others. Most areas compare favorably by some criteria and not as well by others.

When community leaders observe certain limitations or gaps, they can either work to ameliorate those problems or target companies for which those factors are less important. The point is that in order to have a realistic picture of economic development potential, an appraisal of the community's strengths and weaknesses must be conducted.

In general, the factors influencing economic development can be categorized in the manner depicted in Table 3.

PEOPLE	FINANCES
Public Education Higher Education Technical Education Job Training Programs Labor Availability Labor Cost	Financing Availability Price of Financing Terms Tax Abatements Incentives
Power/Fuel Availability Utility Costs Land Availability Access to Raw Materials Infrastructure Quality and Capacity	Access to Various Markets Degree of Market Saturation Proximity to Markets Competition Price Competitiveness
RESOURCES	**MARKETS**

Table 3. Development Inventory - People, Finances, Resources, and Markets

Table 3 is not intended to categorize all the factors on the continuum of issues influencing business development. It is, however, useful for performing a structured analysis of the factors which are of general concern to developing and/or relocating businesses. In this way, those responsible for shaping policy and making decisions regarding community development acquire a better understanding of potential obstacles as well as the advantages which make their community attractive to certain industries. A well designed business and industrial survey can reveal a great deal about the business climate in a particular community. The results of such surveys are very useful in terms of identifying strategies for remediation and capacity building.

3. Strategic Partnerships for Sustainable Development

Smokestack chasing, or attracting new heavy industry from outside the region is , for many communities, a anachronistic practice or even anathema to the consensus view of some constituencies. Some communities have imposed structural or even legal obstacles to the development of heavy industry within their city limits. Often, this is a response to the perception that such industry will degrade quality of life by creating or exacerbating environmental problems like air and water pollution. There is also growing recognition that certain types of industrial development are not sustainable. For example, textile industries have proved to be highly mobile in recent years. Such industries tend to vacate their original homes and seek out areas with lower wages. A few years later, if wage differentials favor another area the factory moves again. For industries that are relatively labor intensive and require only low to moderate skill levels among their workers, frequent moves are possible. This is especially true for industries which do not require large amount of heavy equipment or close proximity to raw materials that are difficult to obtain.

Increasingly, sophisticated economic developers and community leaders are acknowledging the aforementioned problem. Obviously, it is desirable to protect your community from the type of economic disruptions that occur when an industry leaves town. Similar problems can occur in cities that are heavily reliant on single industries. For these reasons, forming strategic partnerships to promote sustainable development is highly desirable. Economies tend to be cyclical but, diversified economies generally have less severe peaks and troughs than those which are overly reliant on single industries or industries which are not heavily dependent on the unique attributes of a particular location.

What are strategic partnerships for sustainable development? Generally, such efforts involve the formation of strong and continuous working relationships between the public and private sectors to produce sustainable economic improvement in the interest of the entire community. In a democratic system, it is essential to involve committed public officials that have made a serious effort to identify the needs and desires of their constituents in the area of economic development. The public sector controls many of the necessary ingredients for economic development, particularly in terms of infrastructure capacity. It is the private sector, however, which has both the motivation and expertise to implement commercial development strategies in most cases. Several writers have discussed related concepts recently. Walkowiak states that "A long-term comprehensive investment perspective is essential for communities to survive" and that "Sustainable development is proactive."[1] Richard Celeste, the former

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[1] Wolkowiak, Ellen, Sustainable Development as an Economic Development Strategy, Economic Development Review, Winter 1996, page 75

governor of Ohio, addresses the importance of "Strategic Alliances for Innovation" in an important recent article. He suggests that the goals for the development of an economy that will capitalize on innovative technology resulting in sustained economic health are:

> *"✓ Create long term jobs that capitalize on raising an area's skills and technology base.*
>
> *✓ Stimulate sustained private/public investment in strategic technologies.*
>
> *✓ Make an area's economy more capable of sustained innovation."*[2]

In order for such lofty goals to be successfully implemented, the concerted and cooperative efforts of many people are required. An economic transformation of this order requires years of effort to fully achieve fruition. For this reason, it is essential that strong community support for the program is cultivated throughout the process. There are examples of excellent programs which have been abandoned, even in progressive communities, simply because newly elected officials lacked the political will to move forward. It is essential that **EDO** board members and staff continually works to promote program strategies and activities within the community These internal marketing efforts help to insure that **EDO** support and funding continue. Public meetings, newsletters and press releases all facilitate this process.

The problem of maintaining program support and momentum can be ameliorated by appointing the right people to the board or council which is responsible for directing the process. It is usually advisable to depoliticize the process by limiting the role of elected officials unless the responsible organization is highly political in nature, such as Council of Governments (COG). This not say that local government can not have a clear voice in terms of influencing program direction. Often, this is facilitated, not only through the active involvement of government officials but, also through control of the purse strings.

The following list represents some of the types of expertise which are especially desirable for managing a public/private partnership for sustainable development:

Board of Directors

Finance experts including bankers

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[2] Celeste, Richard, Strategic Alliances for Innovation: Emerging Models of Technology - Based Twenty - First Century Economic Development, Economic Development Review, Winter 1996, page 6

High ranking representatives from prominent local industries

Utility officials

Transportation officials

Education officials

Small business owners

Local government officials

Media representative

It is helpful to have people that possess technical and legal expertise as well as knowledge of regulations and systems influencing development. These people should be in positions of authority and qualified as experts in their fields. In essence, it is highly beneficial programmatically to have a strong and influential group of community leaders on the board of directors. In addition, they should be carefully screened to ensure that they are not only qualified but, highly committed to the best interests of the community. Recognize, that it is highly advantageous to involve powerful and motivated people that occupy strategic positions in the community.

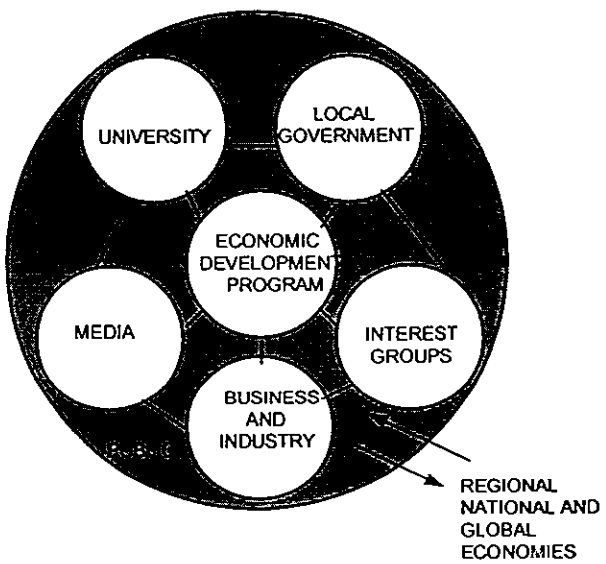

Figure 1. Strategic Development Partnership

As illustrated in Figure 1, the strategic development partnership is comprised of many entities, each with an important role to play. Indeed, the entire community is involved. The actions of the strategic development partnership influence the local economy which produces effects beyond the jurisdictional limits of the community. There is, in turn, influence exerted upon the local economy and on the strategic development partnership from outside market forces. The truly successful strategic development partnership has the capability to accurately

predict the character, strength and timing of these outside market forces and to respond proactively.

5. Overall Economic Development Planning

The formulation of an Overall Economic Development Plan (**OEDP**) is a major step toward establishing an effective economic development organization (**EDO**). This is a strategic planning process that may involve representatives from the various groups which comprise the strategic development partnership. In some cases, the first board of directors for a newly formed **EDO** may be drawn from the working groups that formulated the **OEDP**.

An **OEDP** is a working document which is subject to periodic review and modification. It is descriptive and also delineates specific strategies for economic development. Usually, an economic development mission statement contained in the **OEDP** is activated through the development and implementation of specific goals, objectives and action plans. The following outline is one example of how an **OEDP** can be structured:

OEDP Outline

1.0 Introduction

- 1.1 Purpose of **OEDP**
- 1.2 Participants (name and affiliation)
- 1.3 Methodology

2.0 Overview

- 2.1 State of the Local Economy
- 2.2 Social - Political Situation
- 2.3 Environment
- 2.4 Development Potential

3.0 Industrial Analysis

- 3.1 Descriptive Analysis of Industry
  (Electronics, agriculture, textiles, food processing, metal fabrication, transportation, wholesale and retail trade for example)

4.0 Strategic Plan

- 4.1 Areas of Focus and Rationale
- 4.2 Goals, Objectives and Action Plans
- 4.3 Responsible Entities
- 4.4 Evaluation, Accountability and Proposed Outcomes

To the greatest possible extent, the **OEDP** should endeavor to answer questions such as those that follow:

- What does our region have to offer that is in great demand?
- What major weaknesses do we need to overcome?
- What significant areas of strength do we have?
- What resources, including people, natural resources, financial and resources can be applied to meeting our economic development goals?
- Who is responsible?

6. OEDP Process

A good **OEDP** working group or committee could be made up of the same set of individuals listed under Board of Directors in the previous section. Such a group was organized to begin work on an **OEDP** in Panevėžys, Lithuania in 1996. In Panevėžys, the process was conducted in the following manner by the municipal government:

* A mayoral proclamation activated the process.

* A list of individuals with the appropriate range of expertise and influence was developed. These people were contacted initially to determine their interest in participating. A surprisingly high percentage of them were interested.

* Information regarding the nature of the process, the amount of time involved and the purpose of the **OEDP** was distributed to the interested parties.

* Participants were asked to obtain various types of information specific to their areas of expertise. An initial **OEDP** Committee meeting was scheduled.

* It was determined that the Deputy Mayor of Panevėžys would serve as the chair person of the **OEDP** Committee.

* At the initial meeting, further explanations of the importance of the **OEDP** process were provided. It had been decided that the Nominal Group Technique (NGT) would be utilized as the strategic planning tool most likely to produce a viable set of goals and objectives. The NGT was explained to the committee and the development of the goals proceeded.

* After the prioritization of the goals was completed, the time for the next meeting was determined. In the interim, participants again were asked to produce the information which would be needed to develop the body of the **OEDP**.

* At the subsequent meeting, objectives were developed for each of the three highest ranking goals.

* Additional steps leading to the completion of the **OEDP** included developing very specific action steps and acquiring more information on the state of the key industries in the community. The bulk of this work was accomplished by the city's Economic Development Specialist in cooperation with various committee members.

In Panevėžys and elsewhere, a well written and comprehensive **OEDP** can be extremely useful as a road map for selecting the best route toward sustainable economic development. Activities are planned, executed and later evaluated to determine their effectiveness. Usually, the **OEDP** is adjusted on an annual basis as objectives are fulfilled and emerging needs are identified. In this way, the issues which are of importance to various interest groups and the public are transformed into specific activities to be carried out by the **EDO**.

7. Successful Program Requirements

Some of the requirements for a successful economic development program have already been discussed. For example, it is critical that the **EDO** be governed by a strong, knowledgeable and motivated board of directors. It is also essential that a well developed and realistic strategic plan such as an **OEDP** is in place so that the responsible parties know where they are going and how they will reach their collective destination. Actually, this analogy is weak because economic development is a process which is never really completed; interim objectives are fulfilled while new targets are identified and the process moves forward.

It is very difficult to build high level interest and commitment to economic development in an area that already has a strong economy. In the U.S., economic developers often remark that a particular city simply isn't "hungry enough" to push hard for economic development. The irony of this situation is that economically strong communities have several advantages when it comes to establishing development programs, not the least of which is the financial resources to provide adequate funding. The following case studies illustrate some of the requirements for a successful economic program by contrasting two programs in the U.S. state of Wyoming.

During the early 1980s, Fremont County, Wyoming, with a population of approximately 35,000 , lost nearly 5000 well paying jobs in the oil, uranium and iron ore industries. While the population of the county declined somewhat, many of the displaced workers found alternative employment, albeit at significantly lower wages in most cases. Fremont County is geographically large and relatively isolated from major urban centers. In addition to a number of small municipalities, Fremont County is home to the Wind River Indian Reservation, a factor which further complicates the economic scenario.

By 1988, the three largest communities in Fremont County had established economic development boards which were comprised of a mix of public and private sector members. Two of these organizations had created revolving loan funds. In addition, the three municipalities were utilizing Community Development Block Grant (CDBG) funding for municipally based loan funds. Public sentiment was very strong that that local government, at both the city and county levels, should take decisive action to overcome economic problems. During this period, operating revenue for the county government dropped by nearly 70% because revenue sources sprung mainly from the extractive industries which had declined so precipitously.

The various entities that were promoting economic development were primarily volunteer organizations until early 1988 when Fremont County government established a program and hired the author to direct the effort. Several factors were working in favor of Fremont County's success at that time. The country was fortunate to have several progressive and visionary political leaders with a genuine commitment to improving the area's economy. In addition, the county had an established association of governments which was the vehicle for a variety of economic and community development efforts. Although the county development director and the county circuit rider reported directly to the county commissioners, they both worked through the Fremont County Association of Government (FCAG). This organization was governed by a board of directors which was comprised of the mayors of the Fremont County cities and towns plus the county commissioners. Consequently, the organization had a considerable political clout and was a strongly unifying influence in the county. Activities were developed and implemented consentually and without duplication of effort or undue competition between jurisdictions. The organization nurtured the development of many small business enterprises, attracted considerable capital for infrastructure development and dramatically improved communication between the various entities involved in economic development at the local level.

Campbell County, Wyoming is the leading coal producing area in the U.S. In fact, Campbell County produces more coal than any other U.S. state. It was oil, however, that moved

the economy of Campbell County above the historic plateau which had existed for decades. Historically, the economy of Campbell County was dominated by sheep and cattle ranching. Gillette, the main population center in the county became a boomtown in 1970s as the oil industry developed. Because of increasing market receptivity to clean burning low sulfur coal, the importance of this industry eclipsed that of the oil industry by the mid to late 1980s, although both continue to be significant. As the social problems associated with the rapidly expanding economy were overcome, the high personal incomes in the area and strong tax revenue streams enabled a high standard of living to develop. Indeed, median family income in Campbell County is 50% above the state average.

In spite of the strength of the economy, Campbell County established an economic development program in the mid - 1980s. The city of Gillette, Campbell County government and various other entities acted in concert to form the not-for-profit Campbell County Economic Development Corporation (CCEDC). Throughout the history of CCEDC, over 80% of operating funds have come from public sources although a number of private sector members contribute funds as well. CCEDC is governed by a non-political board of directors which is made up of some of the area's leading business people including bank presidents, mining executives, contractors, consultants and utility executives. Much of the success of CCEDC can be attributed to the committed and visionary leadership of this board of directors.

The success of the Campbell County economy created some problems in terms of attracting new companies and nurturing the development of existing ones. For example, the availability of skilled laborers was a negative factor because most were already employed. This resulted in wage escalation. Likewise, prime industrial buildings were difficult to find and local contractors often had a waiting list for the construction of new facilities. On the other hand, the strength of the economy had some very distinct advantages for business. For many, the industrial, commercial and retail markets were very attractive because primary and secondary industries were growing and residents had considerable disposable income.

CCEDC focused organizational efforts on the expressed and perceived needs of the business community. The varied program involved: industrial recruitment and community marketing, local business assistance in areas such as finance, market development and economic research, along with production of several publications. Periodically, the business community was surveyed to gain a better understanding of their needs. A related activity called a linkage survey was also conducted to determine how and where primary industries obtained various goods and services. It was discovered that, in many cases these goods and services came from outside the region because they were unavailable locally. For this reason, CCEDC

targeted industrial attraction efforts in a manner designed to fill gaps in the availability of goods and services. Because competing firms were not recruited, local businesses were not offended and primary industry was able to increase the amount of money circulating in the local economy. Naturally, new job opportunities were created and tax revenues for local government increased as well.

It is very clear that the requirements for a successful economic development program vary considerably between jurisdictions. Timing is important as well because an essential requirement at one moment in the economic history of an area may not be essential at some other time. In times of prosperity for example, community leaders and the public may require persuasion regarding the need for an economic development program. In times of economic stress, little convincing will be necessary. In order for **EDO** to be successful over the long- term there are several general requirements which are nearly universally applicable.

8. General Program Requirements

1. Strong , dedicated and visionary leadership.

2. Clear and well developed plans which delineate mission statement, goals, objectives and action steps.

3. Political and public support for economic development plans.

4. Clear assignment of responsibility for carrying out objectives.

5. Sufficient capacity to implement plans in terms of the availability of applicable resources including people, infrastructure and finances.

Generally, economic development programs do not directly produce economic gain; the private sector actually creates the jobs, wealth and additional tax revenue. The **EDO** can, however, fulfill a critical role in terms of stimulating and guiding the process. By acting as a catalyst and coordinating the efforts of many, the **EDO** can help to create new synergies that augment the community's capacity for development.

8.1. Program Activities

If one were to survey the range of activities performed by **EDOs** worldwide, the list would probably be several pages long. It is clear that the types of activities performed should be contingent upon community needs and consistent with development goals. There are several

major areas of emphasis for EDOs including local business assistance, information and economic research, capacity building and industrial attraction. Most of the more specific activities that EDOs engage in fall into one of these categories. The following is a partial listing of EDO activities.[3]

EDO Activities	Primary Emphasis Area
Financial Packaging	Existing Business, Industrial Attraction
Revolving Loan Funds	Existing Business, Industrial Attraction
Grant Writing	Capacity Building, Business Assistance
Financial Analysis	Existing Business, Industrial Attraction
Market Analysis	Existing Business, Industrial Attraction and Research
Resource/ Information center	Existing Business, Industrial Attraction
Newsletters	Existing Business, Industrial Attraction and Public Relations
Community Profiles	Existing Business, Industrial Attraction and Public Relations
Infrastructure Development	Capacity Building
Incubators	New Business Development
Base Closures/Reuse Strategies	Industrial Attraction, Capacity Building
Business and Industry Surveys	Economic Research, Existing Business
Direct Mail Campaigns	Marketing, Industrial Attraction
Targeting	Marketing, Industrial Attraction
Telemarketing	Marketing, Industrial Attraction
Advertising	Marketing, Industrial Attraction
Trade Shows	Marketing, Industrial Attraction
Marketing Trips	Marketing, Industrial Attraction
Leadership Programs	Capacity Building
Workforce Readiness Programs	Capacity Building
Management Training	Capacity Building
Ombudsman/Liaison	Existing Business
Lobbying	Existing Business
Overall Economic Development Plans (OEDP)	Economic Research, Capacity Building

9. Conclusion

[3] John P. Kretzman and John L. McKnight, Building Communities From The Inside Out, ACTA

Sustained economic development which is based on improved capacity and guided by a strong set of consentually derived community goals and objectives is, or should be, the mission of **EDO**s today. In their important book on building communities from within, Kretzman and McKnight cite numerous and often poignant examples of mobilizing indigenous community assets to reach a broad variety of objectives. While the results may not always be immediate and the activities involved may fail to capture the attention of the local media, the long-term benefits can be extraordinary. This is not to say that community **EDO**s should narrow their focus. Quite the opposite view is appropriate, in fact. Even in the realm of industrial attraction, however, success will be limited by the capacity a community has for development. The type of approach which is advocated in this paper is hard work and many of the successes realized will be incremental and subtle. Most of the time, that is how true strength develops.

Publications, Chicago 1993

4.2. PROPOSAL WRITING: A BRIEF OVERVIEW

Earl Mathers, MPA

1. Introduction

For many years, I have been involved in all aspects of grantsmanship and attracting low interest financing for local governments and non-profit organizations. In some cases the funding was directed toward the welfare of the general public or a disadvantaged group. On other occasions the grant or loan proposal was designed to benefit a specific business. In the U.S. and elsewhere, there are organizations that provide specialized training in grantsmanship. This short paper cannot substitute for intensive training of this order. On the other hand, there are many successful grant writers that have little formal training. Clearly, common sense and experience contribute greatly to the success of the grant writer. Proposal writing that culminates in receiving a grant for a worthwhile cause can be a very rewarding and even an exciting process.

The success of these techniques is not limited to proposal writing in the U.S. In fact, many of the funding entities of interest to Lithuanian organizations can be expected to apply standards similar to those outlined below. The author's experience in Panevezys, Lithuania included assisting in the development of proposals to the World Bank and several foundations. For the most part, the principles suggested below can be considered universally acceptable.

2. Funding Entities

There are a broad range of granting agencies or funding entities in western countries. These terms will be used interchangeably here. Generally speaking, they are established to fulfill specific purposes although many fund a variety of different activities which support the overall mission of the grantor. The prospective grantee (you) is well advised to build a file of information on as many granting agencies as possible. Ask to be placed on their mailing list so that information on new grant programs and revised regulations or funding criteria reaches you quickly. It is reasonable to expect funding entities to provide fair, timely and equal access to information on their grant programs to all prospective grantees.

Grant programs can be broadly classified as governmental and non-governmental. Frequently, grant awards are restricted to lower units of government, quasi-governmental entities and non-profit organizations although sometimes businesses and even individuals are

eligible. Governments and large foundations may have an extensive variety of grant and financing programs which are created to address many specific needs. Conversely, there are many small foundations that have only one specific purpose and very narrow criteria. In the U.S., for example, the author is aware of a foundation that awards grants only to Native American graduates of a particular high school with a grade point average above 3.5 to attend a specific university. While the focus of this particular foundation is especially narrow, it is safe to say that there are more foundations that make awards for education than for anything else. It is hoped that the upcoming Self-Study handbook for Local Officials will contain information on a number of funding entities that serve Lithuania.

3. Organizing the Process

In the U.S., many units of local government and other organizations employ grants specialists on a full-time basis. Other jurisdictions may have one or several people involved in grantsmanship as part of their job description. It is clearly advantageous to have one or more well qualified individuals that are responsible for managing the process of procuring grants. Various other people must also be involved to make the process successful, however. The following are general qualifications for a prospective grants person:

Qualifications for a Grants Person

Good Research Skills
Excellent Writing Ability
Good Speaking Ability
Broad Based Knowledge
Attention to Detail
Creativity
Self-Motivation
Organized
Persistent
Willing to Learn
Good Follow -Through

In addition to the grants person, key decision-makers must be involved in the process. They must authorize the grants person to apply, assign them sufficient authority to organize the process, help to acquire the necessary information and attend meetings to present their proposals. As appropriate, top officials may place telephone calls or write letters in support of their proposals to individuals affiliated with the funding entity. Resource information on the

availability of grants and low interest loans, along with the appropriate contact information is essential. The grants person will also need a quiet office and a word processor as well as a typewriter.

4. General Considerations

Grantsmanship is usually a competitive process. Consequently, the proposal must be formulated in such a way that it stands out and convinces the reader that all funding criteria are satisfied and the proposal is more worthy of funding than other proposals. Typically, granting entities have "Requests for Proposals" (RFPs) or applications for funding. It is essential that these documents be carefully reviewed and that all requirements contained within them are satisfied. As you are reviewing the RFP, make notes or highlight key sections. Identify the primary mission of the funding entity, the purpose of the specific grant program and the selection criteria. There are occasions when these details are not explicit. If this is the case, contact the person in charge for additional information. Some funding entities establish what I will call "macro qualifiers" such as average family income is below the state average for the jurisdiction that is making the application. If this is the case and your region does not qualify, do not waste your time. It may be possible to manipulate certain other types of selection criteria, but not those for which there is clear statistical information that shows your region to be ineligible. Go back to your research and locate another less restrictive grant program or find another means of financing the project.

Many grant programs utilize a point system to "score" individual proposals. The scoring system may be formal and overt or it may be accomplished less formally. In either case, it behooves the grants person to learn as much as possible about the system by which proposals are evaluated. One grant program scores proposals on the basis of weighted criteria such as: seriousness of the problem, immediacy of the problem, consistency with funding objectives, ability of jurisdiction or organization to effectively implement the project and degree of local effort. Up to 85 points can be awarded and 65 is the minimum threshold for funding. In many cases, funding entities require the recipient to provide matching funds or an "in-kind" match that can be existing resources, labor or other local contributions to the overall project. The grants person is well advised to insure that the matching funds or in-kind services are in place before the proposal is submitted and that he is authorized to commit those resources.

An Example: Going to Gillette in a Jet

Often, there are things that grant writers can learn about the inclination and temperament of the people responsible for making the grant awards. Some years ago, I was spending a good share of my time playing the grants game. As the quarterly meeting of one funding entity approached, I happened to have five separate proposals on their docket and planned to represent several jurisdictions that I worked with that were part of a county association of governments. One proposal requested funding for a feasibility study to assess the viability of redeveloping some existing property as a private correctional facility. This proposal was being submitted by a locally based mining company that is listed on the New York Stock Exchange and was for $30,000. While most of the people that would help me present their proposals were traveling by car the 300 kilometers to the meeting, the mining company had offered me a ride in their corporate jet. Before the formal proceedings began, the chairman of the grant funding committee asked the flamboyant director of the mining company how we had traveled to the meeting that morning. As soon as the mining executive had formed the words ""In our jet," I knew that particular proposal would be rejected. Incidentally, the other four proposals were approved. The moral of the story is, make sure it looks like you need the money.

4.1. Collaborative Proposal from Panevezys

In 1996, the city administrator of Panevezys contacted me for assistance in developing a proposal for low-interest financing from World Bank. An ad hoc committee was subsequently formed to consider the range of infrastructure projects which should be considered and to develop a proposal. Several criteria were used by the committee to determine the relative merits of competing projects including:

- Feasibility
- Degree of Public Benefit
- Seriousness of the Problem
- Potential for Adequate Income Stream to Cover Debt Service and Sustain the Project.

While several projects were considered by the committee, developing a holistic approach to solid waste management was the project selected. All key departments of the city government were involved in the process and input from both interest groups and the public was sought. Information contained in the proposal was provided by several departments. This

collaborative effort culminated in the approval of the proposal and a first place ranking among those projects submitted for consideration from Lithuania

5. Proposal Development Sequence

1. Activation Stage

During this stage of activity the grants person has identified a grant or financing program that may be compatible with the funding needs of the project. A preliminary call can be made to verify that the project in question is suitable for funding under the requirements of the grant program. Often, the grants person must be authorized to pursue a particular grant by the governing body of his organization. At this point, a preliminary meeting with department heads and other project stakeholders should be arranged. The project is conceptualized and the grants person requests the specific types of information which will be required to produce a strong proposal.

2. Research Stage

Various types of information are now reaching the desk of the grants person. He is becoming generally familiar with the subject area (solid waste management for example) and with the specific project needs. Statistical and demographic information will probably be required in the proposal as well. The grants person has a complete grasp of the information which will be required to satisfy the informational needs of the granting agency and to produce a convincing proposal. He has also been informed that matching funds (if needed) are available.

3. Writing Stage

The required format for grant proposals varies tremendously and often, either forms or proposal guidelines will provide the grants person with directions for writing the proposal. Follow the directions to avoid confusing the person that is reviewing the grant for the funding entity and possibly having the proposal disqualified. Generally, it is advisable to outline the proposal first and look your outline over occasionally for a day or two before you commence writing. This helps you to solidify your thoughts, add key points and results in a more cohesive and persuasive proposal. In many cases, the length of the proposal is restricted. If this is the case and it is unusually difficult to convey the necessary information within the length restriction, state that additional information is available upon request or include a detached addendum. In the absence of guidelines the following format can be adapted for use in many instances.

A. Executive Summary - Essentially, the executive summary is a concise and hard hitting summary of the importance of the project in terms of satisfying a serious need. Only the most salient points are covered in the executive summary which usually does not exceed one page in length.

B. Statement of Need - Identifies the need or needs that will be satisfied by the project in some detail.

C. Statistics and Demographics - Provides strong, convincing factual evidence of the seriousness of the problem such as the number of people that are disadvantaged or threatened by the condition which will be remedied by the project.

D. Solution - As convincingly as possible, the solution statement points out how the implementation of the proposed project will ameliorate the problem. Include the projected numbers.

E. Budget - Frequently, a highly detailed budget is not required at this stage. It is important to ascertain what level of detail is required by the granting agency. Sometimes, general fund budget information for the organization is required, along with the project budget information.

F. Conclusion - Accentuates the positive in terms of how effective the project will be.

G. Attachments - With major proposals, it may at times be necessary to include additional information in appendix form. Other attachments include letters of support and the resumes of the key people responsible for implementation may also be appropriate.

The proposal should be articulately and clearly expressed. Unless it is known that all members of the review board are familiar with the field, technical terminology should be explained. Above all, the proposal must convey the message that the organization making the proposal has presented a project that has great merit and that they are fully capable of successful implementation. For the most part, the broader the distribution of project benefits, the better.

4. Submission and Approval

Depending on circumstances and acceptability, some degree of politicking in support of the proposal may be appropriate. In some cases, there may be a hearing in which the organization submitting the proposal has an opportunity to make an oral presentation in support

of the proposal. While the grants person will usually be present at such hearings, prominent stakeholders, particularly elected officials, will often strengthen the presentation team. In making the presentation, your objective is simple; convince the granting agency that your proposal is outstanding and clearly meets their funding criteria.

5. Implementation, Compliance and Follow-up

In almost all cases, the granting agency will have a variety of regulations and reporting requirements that the grantee must comply with. This is the other major aspect of grantsmanship and the one which is often less gratifying than the exhilaration of receiving a major grant. In order to insure that the possibility of future grants remains viable, good compliance and effective implementation are essential. In terms of compliance, follow the rules in a timely fashion and in regard to implementation, endeavor to do what you said you would do in the proposal.

There are many types of proposals. Some are for grants, others are to obtain low interest financing and still others are designed to produce awards or special consideration. In every instance, the quality of the presentation will be important and those responsible for making the award must be convinced that your organization is worthy of sponsorship. This is a competitive process and in a very real sense, you are attempting to make a sale. One of the best marketing people I have known was the marketing director for a regional multi-event center. On one occasion, the objective was to have their facility named as the site for one of the world's largest rodeos. Prior to traveling to the distant state where the presentations would be made, in the company of the governor, the mayor and the chairman of the county commission, this marketing director prepared well. The highest quality promotional materials were produced and an outstanding proposal was submitted. Perhaps the best touch involved pillow-cases, however. When the members of the steering committee for the event checked into their hotel rooms, their screen printed pillow cases read "Welcome to the 1993 National High School Finals Rodeo in Gillette, Wyoming." How this was accomplished remains a mystery but, the prophecy came true. The moral is, be creative, let them know you are serious and above all, let them know that their funds will produce the impact they are looking for if they make this investment in your project.

6. Proposal Checklist

1. Is the proposal complete? Are all required items included in the packet?

2. Have all required forms been accurately completed?

3. Is the wording, punctuation and spelling perfect" (Proof read three times by more than one person)

4. If more than one copy is required, are the appropriate number of copies included?

5. Are you sure the proposal will arrive prior to the application deadline? If not, use express parcel service or hand carry the proposal to its destination.

6. If signatures of chief elected officials or other responsible persons are required, are these signatures in place?

7. Is all supporting documentation included?

8. Have you confirmed that matching funds are available?

9. If required, is your presentation team prepared for the grant hearing?

5. MUNICIPAL LEGISLATION

5.1. LEGISLATIVE REGULATIONS IN MUNICIPAL GOVERNING PRACTICE

Valdas Kuzabavicius, MPA

1. Introduction

Municipal civil servants and politicians, exercising their duties on the basis of acts of the Government and Seimas, as well as resolutions and provisions, as they are implementing the state policy, and have adequate legal knowledge and ability to implement the aforementioned in practice.

However, it is not necessary for officials to be familiar with all the normative acts, regulating the sphere of their activity, as well as constantly be involved in following the amendments issued. For this purpose it is possible to use "State News", "Letter-Subject List on Legal Acts Valid in the Republic of Lithuania", computerized systems of legal acts search (e.g. LITLEX), and different selections of normative acts according to the specific subject. For proper interpretation and application of normative acts, specific knowledge on legal theory, normative acts issuing procedure, and normative acts interpretation and application rules are essential. Therefore very often the support of professional lawyers is required.

Laws and normative acts are regulating public legal relations within the state. Constantly emerging changes in public life require permanent creation of new normative acts and improvement of the existing ones. Municipal officials and politicians are emphasizing insufficient development of the legal system and impertinent regulation of one or another sphere of activity. However, it is hardly possible to expect a different situation, taking into account the challenges the state faced after restitution of independence. Six years of independent state operation is a very short period of time for legal basis regulation. Thereby, at the moment it is extremely important that municipalities themselves could be involved in the legal basis development process.

Citizens of the Republic of Lithuania, as well as municipal officials are entitled to and should influence the law issuing process. Most of them are expecting that their proposals very soon will be enacted in the form of laws or normative acts and often they are disappointed if the

process appears to be continual. Therefore is necessary to be aware that the decision making process, based on negotiations and compromises is characteristic to the democratic society. Thereto, the law approval procedure as such takes a rather long period of time. The more people will be involved in law preparation and the considering process, the greater the chance is that there will not be any necessity to provide alterations or amendments of the law in the short period of time after it is adopted.

The goal of this chapter is to introduce the fundamental knowledge on legal theory, essential in the routine activities of every official. Section 2 contains the basic definitions and procedures. Section 3 provides the possibilities for municipalities in influencing the law preparation process.

2. Fundamental knowledge on law theory

2.1. Legal norms

Legal norms hitherto shall be considered to designate general rules of behavior. Basic aspects indicating that rule of behavior shall be considered legal norm:

- written form;
- rule of behavior is determined by the competent state institution.

Legal norms may be accomplished in three ways: by observing, implementing and applying.

Observance of legal norms - shall be considered to designate passive activity exercising which the activities prohibited by the law are not performed on a voluntary basis. If legal norms are not observed the state is entitled to apply sanctions determined.

Implementation of legal norms - shall be considered to designate active performance in the course of which actions established by the legal norms are executed. Through this obligatory legal norms are realized. Very often non-performance of such actions shall incur application of sanctions determined by the state.

Legal norms disposal - shall be the form of realization when subject of law exercises its rights. This way legal norms are realized, e.g. the right of the municipality for enterprise establishment.

Application of legal norms - shall be considered the activity, oriented towards realization of legal norms in specific cases, upon approval of individual acts of aforementioned norms application. Application of legal norms - shall be a legal form of state administration, embracing the legal system regulations and administrating municipal activity (council resolutions, decrees of the mayor, administrator's orders, etc.).

Performance of legal norms shall be considered indispensable in the following cases:

1) the powers and obligations established by the legal norms may not be vested in the specific persons without legal acts adopted by different institutions authorized by the state;

2) in case of law infringements, when application of sanctions defined by the state are indispensable;

3) in case of necessity to safeguard subjective rights of a specific person.

Legal norms application stages:

- analysis of actual circumstances;
- selection of legal norm;
- decision making.

Upon applying legal norms and adopting the relevant acts for application of aforementioned norms, state and local government institutions are involved in a public relations regulation process. The subject towards which the act of application of legal norms is oriented is not always satisfied by the decision adopted. In such cases legal disputes arise and are usually resolved in court. In most cases the disputes encompass property and labor relations. Property relations are regulated by Civil Code of the Republic of Lithuania and disputes are resolved in court upon the procedure established by Civil Process Code of the Republic of Lithuania.

Realization of legal norms - shall be considered the implementation of aforementioned norms in the activity of subjects of law upon observing the interdictions, performing the duties and executing the powers.

2.2. Normative (standard) acts

Normative acts - shall be the form of legal norms. Normative acts may be characterized as follows:

- indications of general character;
- regulation of relevant public relations;
- orientation towards persons, incurred in the position provided for by
- legal norms;
- different application possibilities.

Rules of behavior in the sphere of public administration (legal norms) shall be developed by politicians, thereby embodying programs of political parties, will of electorate, proposals of the specialists, etc. Aforementioned rules of behavior are formalized by granting them the form of the normative act by professional lawyers.

Normative acts are specified according to the subjects entitled to adopt aforementioned acts and embodied legal power as follows:

1. Constitution.

2. Laws adopted by Seimas.

3. Bylaws. (Governmental resolutions, acts of the ministries, departments, and other state and local government institutions, regulating general rules of behavior, issued within the limits of the competence).

2.3. Legislation process

Draft laws and proposals regarding the law issuing process are submitted to the Seimas by different institutions and persons, having legal initiative right according to the Constitution.

Article 68 of the Constitution establishes that the law initiative right is vested upon:

1) members of the Seimas;

2) President of the Republic;

3) Government and citizens of the Republic of Lithuania (50 thousand citizens are entitled to vote and are empowered to submit draft laws to the Seimas).

The draft laws submitted shall be endorsed by initiators or proxies. Draft laws submitted by subjects not entitled to legislation initiative right, shall be registered but not handed over to discussions, therefore such draft laws shall be introduced to the relevant committees.

An explanatory note shall be attached to the draft law. This **explanatory note shall contain:**

1) goals and objectives of the draft law;

2) description embracing the actual legal regulation of the issues presented;

3) planned new provisions of legal regulation, positive character of new regulations of the problem and other expected positive results;

4) possible negative consequences of the adopted draft law and the measures to be taken in order to avoid negative consequences;

5) possibilities of incorporation of the law into the legal system (what legal acts regulating this sphere are currently in force (the list of such acts shall be submitted)) and what actual valid legal acts shall be altered or abrogated after adoption of the draft law submitted);

6) compatibility of the aforementioned draft law with the provisions of European Human Rights and General Freedom Security Convention and European Union documents;

7) In the case that the implementation of a draft law requires bylaws to be issued - when and who shall prepare the bylaws, the guidelines of bylaws shall be indicated;

8) evaluations and references of the specialists obtained during the law the preparation process;

9) the authors of the draft law or group of authors;

10) indicative meanings of draft law, necessary for including in a computerized search system;

11) other substantiations and explanations, indispensable according to the point of view of the authors.

It is considered valuable to enclose the inference obtained from criminological examination provided on this draft law, and how the adoption of the law could influence the criminogenic situation. Preparation of such an examination inference upon the request of the project initiator, shall be organized by the Ministry of Justice. According to the need the draft law or resolution on law implementation procedure should be attached to the draft law.

Draft law submission procedure:

1) registration at the secretariat of Seimas meetings;

2) Within 7 working days after the registration the Legal Department of Seimas shall prepare inference;

3) draft law together with inferences shall be submitted not later than within 3 working days of registration by the Chairman of the Seimas, committees, fractions, the Government, office of the President of the Republic of Lithuania and according to the needs to the relevant municipalities;

4) Chairman of the Seimas or board of the Seimas shall be entitled to submit the draft law for preliminary discussions and inferences of one of the committees (within 10 working days of registration);

5) the draft law shall be presented at the meeting of the Seimas;

6) In case of embarkment of the draft law debating procedure (discussions at the general committee, discussions at the meeting of Seimas, adoption) is determined, the Seimas shall appoint the date of discussing the draft law at the meeting of Seimas and the general committee;

7) in the case that the implementation of the law requires means related to amendments in state budget, the proposals of initiators of the draft law as well as proposals of the Budget and Finance Committee and the Government referring to the possible resources of means shall be presented;

8) the draft law shall be considered at the general committee;

9) the draft law shall be considered in Seimas, date of adoption shall be planned (not later than after 2 working days);

10) adoption of the law.

2.4. Plaintiff and defendant at civil litigations.

Municipality, represented by the mayor or proxy and authorized by the mayor, in most cases is acting as plaintiff or defendant in civil proceedings at court.

Proxy or authorized person shall be aware and be able to use process rights vested in him. In most cases if the municipality is not represented by a lawyer, participation at legal proceedings is limited to the explanation of the case and the dispute is solved "upon judgment of the court". This means that the case is very likely to be lost. However the civil proceedings are based on the principle of contest. The parties involved shall be of equal rights and they shall be actively engaged in the trial.

In court the municipality is represented by the mayor, or municipal official appointed by the mayor. The latter case is called representation upon assignment. The powers of representative and representative upon assignment are not adequate. **The rights of plaintiff and defendant shall be as follows:**

1) to analyze the material of the case, copy out the extracts, make copies;

2) to declare objections;

3) to submit evidence, be engaged in examination of evidence;

4) to ask the questions to the other persons involved in the case, as well as witnesses and experts;

5) submit requests, present verbal and written explanations, declare arguments and reasonings pertaining to all the questions arising on the basis of trial proceedings, to contradict the requests, arguments and reasonings of other persons involved in the proceeding;

6) obtain copies of court judgment, rulings and resolutions;

7) appeal against verdicts and judgments of court;

8) complete the case on the basis of peace treaty;

9) request for compulsory performance of court verdict, participate in the performance of judgment actions by court bailiff.

Plaintiff is entitled to amend the basis of action, increase or decrease requests included in the action or to withdraw the action. The defendant is entitled to acknowledge the action. **Representative upon assignment is not entitled to provide the following:**

1) transfer the case to the court of third party proceeding (arbitration);

2) fully or partially decline the claims of action;

3) to acknowledge the action;

4) to amend the basis or issue of action;

5) conclude the peace treaty;

6) appeal court verdict and ruling;

7) transfer its own powers to another person on the basis of power of attorney;

8) to obtain the document on execution upon property and present it for exaction;

9) to acquire adjudged property or means.

Authorization to perform any of aforementioned actions shall be specifically indicated in the letter of attorney of the person representing.

Civil code. Civil code of the Republic of Lithuania regulates property relations and related nonproperty relations of persons. The Code provides for legal remedies regulating aforementioned relations between natural persons, legal persons, thereby encompassing relations of natural and legal persons. Provisions of civil code shall not be applicable to property relations based on administrative subordination between the parties, as well as tax and budget relations.

Article forty-one of the Civil Code refers to municipalities or self-government institutions. Therefore, the norms embodied in the Code shall be of considerable significance to municipalities.

3. Possibilities for municipalities to influence the legislation process.

Municipalities or organizations unifying municipalities are not entitled to the direct legislation initiative right. However, aforementioned institutions have substantial opportunities to be engaged in process.

The essential, and as it became evident from the practice, is the most effective form of activity embracing different municipalities in the improvement of the legal basis regulating local self-government shall be negotiations of the Association of Local Authorities of Lithuania with the Seimas, the Government, and ministries.

The Association of Local Authorities of Lithuania, established at the beginning of 1996, slowly but persistently is becoming the authority representing the interests of municipalities, empowered to influence the legislation process. Laws actually enforced, oblige the central power institutions to reconcile the draft normative acts with the Association of Local Authorities. Every normative act prepared by central power institutions, related to municipal activity, shall be submitted to the Association of Local Authorities and shall obtain its approval. Provisions of the European Charter On Local Self-Government (Article 4, section 6) binds state power institutions to consult local government institutions.

Actually, the Association of Local Authorities comprises 18 committees involved in solving municipal problems: Committees of Public Utilities, Energy, Environmental Protection, Finances, Tourism, Education, Social Affairs, etc. Municipal civil servants, authorized by the mayors are taking part in the committee activities. A new draft statute of the Association of Local Authorities provides for embracing municipal politicians into the aforementioned activity of the committees.

One of the main functions of the committees therein shall be the discussion of draft normative acts, and submission of proposals on improvement of legal basis regulating local self-government. Specialists from the different fields, scientists and research institutions from Lithuania as well as from the other countries are involved in this process. Every committee member is entitled to submit proposals and remarks on the project discussed. Proposals submitted by the committee regarding one or another draft document upon the decision of the Council of the Association of Local Authorities or the President of the Association shall be presented to the Seimas, Government, or other central government institutions.

Another form of activity of the Association of Local Authorities, is allowing the influence on normative acts issuing process - participation of the representatives of the Association in the working groups formed by the Seimas or the Government, involved in law preparation process. Representatives of the Association are included into aforementioned

working groups upon the initiative of the Association itself as well as upon the initiative of central government institutions.

Not only above mentioned members of the working groups of committees are entitled to take part in the legal basis improvement process. Directors Office of the Association (Vilnius and Kaunas Offices) is accepting and attentively analyzing proposals of every municipal politician or civil servant. However, a small number of proposals is actually received. This is stipulated by objective as well as subjective reasons: the Association of Local Authorities pays too little attention to informing municipal civil servants and politicians of the activities performed and possibilities provided, on the other hand municipal officials do not express substantial initiative in draft laws improvement and amendment.

A municipal civil servant or politician, upon submission of proposals to the Association of Local Authorities shall not necessarily prepare draft normative act and explanatory note in conformity with the rules established by subsection 2.3 of the "Legislation Procedure", however, such presentation procedure would facilitate draft law discussions and improvement. Active participation of municipal officials in the legislation process could enable mistakes and inexactitudes to be avoided by law makers, very often occurring in the laws and legal acts of our country.

6. CITIZEN PARTICIPATION AND PROFESSIONAL ETHICS

6.1.CITIZEN PARTICIPATION IN LOCAL GOVERNMENT

Mark Levinson, MA

Annotation

In this chapter, you will learn:

- What is Citizen Participation?
- What are the benefits of Citizen Participation?
- Managing Conflicts and Building Consensus.
- Prioritizing Needs and Programs.
- How to Communicate With and Involve Citizens.

1. Introduction

Citizen participation is an essential part of democratic government. It helps governments be both more efficient and effective. It builds credibility and community spirit, aids in managing conflict within the community, and helps elected officials see to it that the limited resources available to government are wisely invested in services and programs that the community genuinely needs and wants.

This chapter is designed to encourage and inspire local government leaders, officials and administrators to reach out to their citizens, to involve them in the setting of community goals and priorities, and in planning for their future.

The very first step in developing an active partnership between citizens and their government is often government's responsibility. Government leaders and officials will have to take the initial steps to invite citizens in, inform and educate them, be accessible, and break down the barriers, both physical and psychological, that can prevent citizens from taking an active interest and role in their local government.

In the pages that follow, we will discuss a number of ideas that local governments can put in place to help educate their citizens and encourage them to participate. This is far from an exhaustive list of ideas. You may have many original ideas that are perfect for your community. More importantly, citizens in your community may have excellent ideas that are worth exploring and implementing, but to find out about their ideas, you will have to ask them.

2. Main Part

The active participation of citizens is central to any understanding of the concept of democracy. Without the basic involvement and participation of its citizens, at some level in the decision making and governing process, a government can hardly be said to be democratic. Democracy, though, is much more than just the people's ability to grant or to peacefully transfer political power and authority, and thereby express their collective will through their votes. True participatory democracy also requires that citizens have the right, and the ability, to actively participate in the political process at many levels, communicating information about their priorities, preferences and needs, and freely joining together in interest groups, neighborhood associations, clubs, political parties, etc., to put pressure on their government to respond with programs and policies to meet those needs.

In a democracy, the roll of government is not only to exercise its authority to make policy decisions on behalf of the community, but also, and very importantly, to provide *services* to the community. Leadership, in a democratic government, is therefore a complex picture. On the one hand, it is the exercise of power and authority to make decisions and establish policy and direction for the community. But on the other hand, it is also being responsive to and serving the wishes and needs of the community. Political and governmental officials who can successfully maintain a balance between these two competing roles are most likely to succeed.

To fulfill this role, democratic governments and responsible political leaders look for ways to determine just what the needs, preferences and priorities of their citizens are; to answer their questions, and to find ways to involve their citizens, either as individuals or in groups, in the decision making process.

In a democracy, citizens have a great deal of power to make their governments respond. The ultimate power to make their governments listen is the vote. But, as Verba, Schlozman and Brady

describe it in their book Voice and Equality, the vote "is a singularly blunt instrument for the communication of information."[1]

The vote, while it is clearly the best way that democratic nations have yet devised to determine ***who*** should lead, rarely provides a clear, detailed and definitive decision on exactly ***where*** the people want their government and their society to go. Democracy and political stability require a more information-rich manner of communicating citizen preferences and priorities to government. One which can provide much more detailed and specific information. Governments need a more complete means of collecting information and opinion in order to answer questions like, *"What services should we provide?"* and *"To whom should we provide them?"*

Simply put, the best way for government administrators and elected officials to understand citizen preferences (the will of the people), is to provide the community with regular opportunities to participate and to take the time to listen to what they say. Government must provide citizens with the information that they need to ask constructive questions and provide them with reasonable answers. It also makes sense to involve citizens and citizen groups, like non-governmental organizations (NGOs), in the delivery of public services. There are many instances where citizen acceptance and citizen participation in delivery actually enhance the product. For example, public safety services.

Most evidence indicates that the effectiveness of police and public safety policies and procedures in fighting crime are enhanced when citizens are involved by reporting crimes or criminal activity. When neighbors join together to help make their streets safe and are involved in the process, as part of a Citizen Watch or similar neighborhood anti-crime effort, crime rates decline, and police become more responsive to citizen needs and control.

Involving NGOs in public service delivery can also save a community money. Often, an NGO provider can bring many economies of scale to bear on service delivery costs, by providing similar services to more than one community. Local governments rarely have such opportunities. Also, NGOs may often have resources other than tax dollars to help in covering the cost of providing services. These resources can be earned through other activities, raised by public charitable contribution or business support, or from foundations and grants that are often not available to local governments.

[1] Verba, Sidney; Kay Lehman Schlozman and Henry E. Brady, *Voice and Equality: Civic Volunteerism in America* (Harvard University Press, 1995), page 24

A Definition of Citizen Participation:

Citizen participation therefore, is more than a "watchful citizenry" casting ballots at election time to let their elected officials know how well (or how poorly) they are doing ... **it is the direct and active involvement of citizens, in partnership with their government, in the shaping of decisions that effect their lives and their community.**

When it is successful, Citizen Participation can bring substantial benefits. It can create more effective public decisions, a satisfied and supportive public, and it can build stronger democracy.

1. Citizen Participation Can Serve Government.

- It builds credibility.
- As an aid to effective decision making, it can assure that decisions reflect the needs of citizens.
- It can release creativity in the community and provide new information and ideas.
- It can use the talent of citizens as volunteers, supporters, etc.
- It assists public officials in reducing and managing conflict, and enlisting the support of citizens.
- It can help correct and improve programs by providing response.
- It helps government to manage conflict.

2. Citizen Participation Can Serve The Interests Of Politicians.

- Elected officials get a chance to meet their voters face to face and broaden their base of support in the community. They can become more than just a name to these people. Citizens who participate now have "access" to their representative. They may even develop into a source of campaign volunteers and contributions.
- The circumstance of public participation provides an elected official with an opportunity to show the voters (his boss) that he knows his job, that he is doing it responsibly ... and that he is serving them. His potential challengers in an election have no such opportunity.
- The politician who created the event can manage the agenda and the flow of information. He can collect the facts he needs to make the best political decision he can, and he has an opportunity to make his position known to the voters in great detail, when he must make difficult or relatively unpopular decisions.

- People like to be asked their opinions about important issues -- especially those that directly affect them. Even if they choose not to offer an opinion, they like to be asked. It makes them feel important ... that they matter.

3. Citizen Participation Can Serve The Citizen.

- It strengthens the democratic system; reduces feelings of distrust, alienation and apathy, and strengthens the citizen's commitment to his community.

- Citizens can gain a sense of ownership ... authority ... over what happens in their community, and are more likely to show loyalty to their community and its leaders.

- It can give citizens a better understanding and appreciation of the capabilities and limitations of government, and the difficulties of the decisions faced by their leaders.

Increased accessibility of government leaders, officials and information makes government more open and more approachable, both to individual citizens and to groups. Decisions made by government leaders in an open and public (or transparent) manner, before knowledgeable citizens, are essentially better decisions. These open decisions are more likely to serve the public interest than decisions made in secret, and they can begin to create an atmosphere of trust and credibility for government.

To increase accessibility, government officials must identify and reduce the physical, social and psychological barriers that citizens encounter when approaching their governments. Citizens should be able to have regular interaction with their governments and their elected representatives. Citizens, elected officials and professional public administrators have questions that they want answered and comments that they want to make. The increased accessibility created by a well coordinated Citizen Participation Program can provide opportunities to satisfy all these needs.

Citizen Participation Programs can be designed using many different involvement strategies to develop the structures, processes and policies that will result in the involvement of citizens in planning and policy making. Activities that promote this involvement should be designed to get citizens into the process of making decisions that will effect them and their community; setting goals, planning, appraising city services, starting new programs and ending old ones.

Citizen training and technical assistance to citizen and business groups can be effective ways of getting citizens involved in their government. The better information citizens have, the better the input they can provide, and therefore the more they are able to be effective.

When knowledgeable citizens work in partnership with professional public managers and planners, the information and assistance they can provide results in better plans and programs.

When public administration professionals have better information and better program designs to present to their decision makers, then elected officials can make better decisions.

Managing Conflict and Building Consensus

One of the most important and effective aspects of citizen participation is that it helps governments to manage conflict. Where citizen's interests and desires are concerned, it is often impossible to avoid conflict. Unfortunately, most of the time, making decisions in secret, or trying to ignore disagreements in the community, only make the problem worse.

Citizen participation programs offer a better way to manage these disagreements, by giving all points of view a fair and reasonable opportunity to be heard and to have impact on the decision. When political leaders make controversial decisions in a public manner, giving all interested parties an opportunity to air their views, officials can make the most informed decision possible. Citizen participation programs such as special purpose committees and public hearings, also give political leaders an opportunity to clearly explain the basis for their decisions to the public, and to find and build consensus where possible.

Prioritizing Needs and Programs

All local governments have limited resources and nearly unlimited demands and needs from their citizens. It is therefore necessary to prioritize what programs and expenditures are most important to undertake, balance how much effort and money will be expended on each, and which needs and desires will have to go unfulfilled, for now, due to lack of resources to address them.

This is probably the most difficult, yet the most important task that local elected officials face. Many of these decisions are not easy, and some necessary choices may meet opposition in the community.

To make these decisions successfully, local government and political leaders require the highest quality and most complete information they can get. To successfully build support for these decisions in the community, requires that citizens be provided with the same high quality and complete information, in return.

It is much more likely that citizens will support decisions that they understand.

Citizen participation can be a tool to:

1. Determine the needs of the community.
2. Assist the public official in prioritizing choices.
3. Design appropriate programs to effectively meet the people's needs.
4. Help citizens accept and support the decisions that their elected officials make.
5. Bring the resources of the community into the process to assist government leaders study, draw conclusions, make recommendations and implement and manage programs.

Figure #1, shows the cycle of program development, implementation and review. The cycle can begin at any point, but generally starts with the analysis of a problem, and proceeds to the planning of a proposed solution to that problem, the specification of action that government can take, and the implementation of that action. But, as the diagram shows, the process does not stop with the implementation of a program.

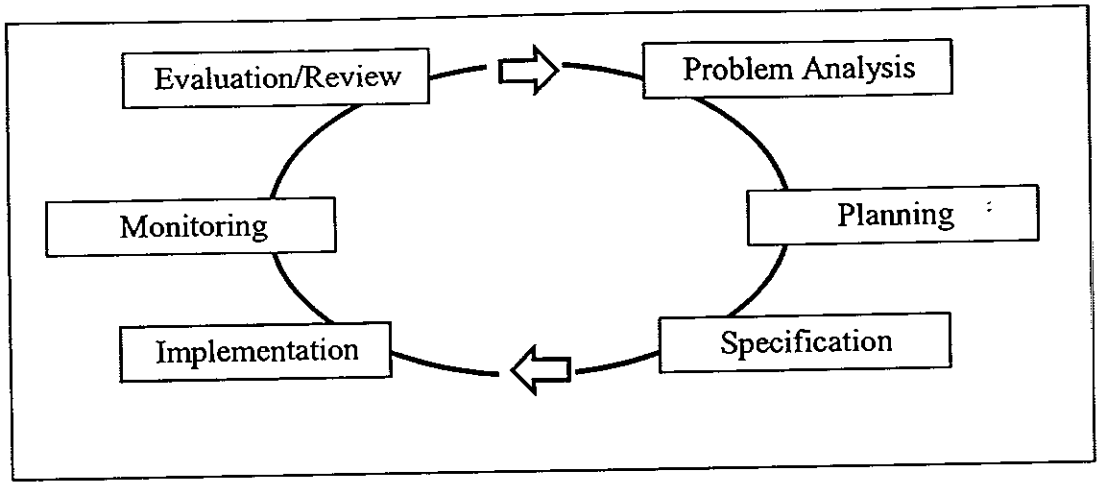

Figure 1. The cycle of program development, implementation and review

Effective public policy and the improved quality of government services necessitates a close relationship between government and the people.

Government programs and activities must be continually monitored and reviewed to see that they are performing efficiently and effectively, and meeting the needs and expectations of the citizens. Programs and policies that do need meet citizen needs effectively need to be reviewed and analyzed, and necessary changes need to be developed and implemented through the continuing cycle.

Involving citizens in all phases of the development and implementation of government programs and policies not only assures that policies will be more likely to meet the needs of citizens, and improves the likelihood of citizen acceptance, but also can make the development and implementation process more efficient. Citizens and citizen groups bring resources and expertise to the process that can assist in all phases of program and policy development, from design and specification, to implementation; and without citizen input in the early stages of the development of programs and policies, resources can be wasted, if because of opposition government is forced to begin planning again, from the start.

Many governments utilize citizen task forces and committees to study a problem or issue, collect information, and make recommendations. This can make government's job easier, build public support for a decision, and save government resources for other important tasks.

The first step in involving citizens in the process of governance is communication. The more that citizens know about how their government works, how decisions get made, and the difficult choices that their elected representatives have to make, the more satisfied they tend to be, and the more tolerant they will be of any sacrifice they may personally need to make, or problems that arise. When citizens can see and understand the decisions that their government makes, we call this "Transparency in Government".

A well balanced and broad citizen participation program will utilize many of the following techniques to make government "transparent", so that citizens can see what is going on inside. This transparency in government is essential to building trust and credibility among citizens. These techniques make information available to citizens and help to keep them well informed, but these are only a few examples of ways that local governments can reach out to inform and involve their citizens. There may be other ways that are unique and appropriate to your community. The only limitation is the creativity of local government officials and their desire to inform their citizens.

3. ONE-WAY COMMUNICATIONS TECHNIQUES: Getting The Message Out

One-way communications techniques raise people's awareness about a topic or an event. They are a means of transmitting basic factual information from one person to another. Some types of one-way communications that local governments use are:

3.1. Written Communications

News Releases. A "news" story that is prepared by the government agency itself, and submitted to all of the relevant media. Usually this release includes a date that the information is to be publicly released, a contact name and telephone number of someone in the organization that the media can contact for more information, or for a statement that they can use when writing their own story about the issue.

It would be unusual for the news media to publish a news release exactly as it is written, but it can serve to bring a reporter's or editor's attention to a story that the government agency thinks is important, and they are an excellent way of coordinating and giving information to the media. If it is a newsworthy item, the media will write its own story, based in part on the information they received in the news release.

Annual Reports. A once a year technique used by both government and business. A good annual report will include names, addresses and office phone numbers of important community services and

individuals in the government. A local government's annual report is an excellent opportunity to provide the public with a description of the major achievements of each government department during the prior year. Current and future plans are also good subjects for an annual report. These reports are usually distributed to the news media, to neighborhood and business groups, major institutions in the community, and should be made available to the public in libraries and many government offices, particularly where people may sit and wait for an appointment or service.

Special Reports. An in-depth treatment of a problem or issue. A special report should provide a brief discussion of the background and the current status of an issue, and requirements and plans for the future. It should be distributed to the news media, to interested business and citizen groups (NGOs) and be available in libraries and government offices that may have a role or responsibility in the issue. It is very important that information in this type of report be accurate.

Newsletters. These can be single sheets or elaborate newspapers. They should contain stories and news that informs readers about government projects, programs, activities, policies, and decisions... particularly when a change is involved. A newsletter can be produced by the government itself, or by a citizen participation group. It can include schedules of meetings, public hearings, and government events. It should have wide distribution. An excellent alternative to a newsletter is a regular column or supplementary section in a newspaper of general distribution.

Government Directories. Sometimes a special section in the local phone book that can assist citizens in finding the right person in their local government to call, about their problem.

If written well, these types of communication techniques and materials have many advantages:

- They can reach a large number of people.
- They are reasonably simple to plan, complete and distribute.
- They are mostly inexpensive.

3.2. Oral and Visual Communications

Presentations or Speeches. It is very important for officials and government representatives to speak to assembled groups, to get the message out. These can be business luncheons, neighborhood or church organization meetings, etc. They are most often a talk about specific activities in which the government is engaged, in order to stimulate awareness of the activity... and interest. Questions from

the audience can be answered, but still it is essentially an opportunity to present information, rather than collect it.

Media Announcements. Appearances on special public affairs programs, live interviews on news programs, public service announcements. These programs reach a lot of people, and can assist in building legitimacy, because of the high regard for the media.

Exhibits. A well designed exhibit can make information interesting and easy to understand. It can be mounted in almost any public area and can range from simple demonstrations to presentations of charts and maps indicating trends, successes or plans. Often scale models of planned projects are an excellent example. If they are well located, such exhibits can reach a lot of people, and present important information to them in a way that they can absorb and understand.

4. ONE-WAY COMMUNICATIONS TECHNIQUES: Collecting Information

Most notable of the means of collecting information are **public opinion polls** and **surveys**. These can be very valuable in understanding community opinion at a particular point in time, or changes in opinion over time. There are however limits to the validity of such surveys and polls, depending upon how well they are implemented and how appropriately the questions are designed. They are most valuable as a means of validating information collected through other means, such as public hearings or meetings.

Other important **means of collecting information** are:

- **Records of citizen contact, letters and telephone calls** Often city agencies and departments will maintain logs of personal contact, letters received and telephone calls. This data can be very valuable in determining the types of problems citizens are experiencing, the kinds of services they need, and how well government resources are allocated to providing services.

- **Citizen Suggestion Boxes** Providing an opportunity for citizens to write comments or suggestions, or to complete a service questionnaire, can assist in measuring the effectiveness and quality of service.

5. TWO-WAY COMMUNICATIONS - Sending and Receiving Information

With any of the two-way communication techniques, a government agency can not only present information, but can listen to citizen opinion as well. The simplest form of two-way communication is the one-on-one conversation. This allows a thorough discussion positions and ideas, and can help to arrive at an understanding. It can be an effective technique, because it can communicate a great deal if information, very directly, but it is limited, because it can only deal with one person at a time.

Small groups can be addressed in a basically one-on-one manner. Groups larger than 15 people can severely restrict the ability of all to participate. Other types of two-way communications can be categorized into informal/temporary techniques and formal/permanent techniques.

5.1. Informal/Temporary Techniques:

Public Hearings. Public hearings are the most common and basic form of citizen participation.

Public Briefings/Public Meetings. Public briefings, or public meetings, are very similar to public hearings. Generally the difference is that they are more informal, more like a conversation than a governmental function. They usually involve smaller numbers of people than public hearings, often included by formal invitation. This can sometimes make them a very flexible, and less expensive, alternative to a full blown public hearing, but there are limitations if general public access is limited.

Task Forces, Special Committees and Commissions. These techniques are very important for local governments. The principal advantage is that they allow government to utilize the skills, talents, abilities and resources of their citizens. They can actually make government's job easier. They are usually used in an advisory capacity, since there is generally no legal basis for delegating actual decision making authority to them and elected public bodies usually want to maintain control of the actual decisions. But, they can make recommendations, and can often help build support for a proposal in the community.

Community Information Fairs. An excellent and informal means of providing information to the community and creating an environment where one-on-one conversations can take place. Booths, exhibits or information tables regarding many public issues or services can be presented, and experts can be available to answer citizen's questions. Usually, such a fair is accompanied by an event, entertainment or refreshments, in order to create a celebrational atmosphere and to attract a large number of people.

These techniques are temporary, in that they will probably be disbanded when their purpose has been accomplished. They can be used to help disseminate information and to collect information from citizens.

They are particularly useful for stimulating discussion, to help define problems and to develop solutions -- such as reviewing a plan or developing priorities. They are techniques that utilize the strengths, knowledge and experience of others as well as those in government.

ADVANTAGES:

- They are relatively easy and inexpensive to operate
- Government can maintain some control of the agenda and information being disseminated. It gives government or political leaders the opportunity to make their case.
- Promotes two-way communication between citizens and government, which can result in better understanding of the viewpoints and issues being discussed.
- Broadens the "talent-pool" that can be involved in solving a particular problem.
- They can be used for varying lengths of time, even attaining a semi-permanent status.
- They can be implemented in a variety of locations and are therefore are very flexible. They can be in City Hall, neighborhood schools, churches, or in series in various neighborhoods.
- They do not require a great deal of structure or procedure so that inexperienced participants can learn to take part quickly.
- They can utilize oral presentations, visual aides, exhibits, and written materials to make the meeting more meaningful and promote a better use of time.
- These mechanisms promote "ownership" of a proposal and can result in participation in action as well.

5.2. Formal/Permanent Techniques:

Neighborhood Committees or Councils. Establishing regularly meeting neighborhood committees throughout the city provides citizens with a convenient, periodic and systematic way of channeling requests or complaints to government, and gaining an understanding of how their government actually works. It also provides government with a regular means of receiving feedback about new

program and policy proposals. They are an excellent means to develop two-way communication between citizens and government.

Planning Advisory Committees. Such committees are a convenient and regular way for government officials to get some initial feedback on new programs or proposals. They can provide government leaders with information about current community concerns and conditions. Such committees can be made up of influential local leaders in business, education, social services, health care, NGOs, religion or any sector of the community that elected officials want to be certain that they have contact with, and they can be given the responsibility to study and make recommendations on almost any issue facing local government and the community. Often, members of neighborhood committees can serve as the core of a regularly meeting Planning Advisory Committee, as a means of encouraging the flow of information to and from the community as a whole. Planning Advisory Committees are an extremely flexible means of bringing the talent and experience of citizens in to the process, to help government review ideas and plans, set priorities and make decisions.

Single Purpose Boards. Such as Civilian Review Boards, Planning Commissions, Architectural Review Committees, License Appeal Boards, Dispute Resolution Boards, Assessment Review Boards, etc. These are committees, made up of citizens, that study and review specific issues that confront government on a recurring and regular basis. They usually make recommendations to decision makers such as the Mayor or City Council, but in some instances can be empowered to actually make decisions on behalf of local government.

Complaint Bureaus and/or Ombudsmen. These are city departments or officers, whose job it is to assist citizens in directing their requests or complaints to the proper location, and to follow up, to be certain that the city has taken action to resolve the problem or satisfy the customer. Such offices are an extremely valuable source of information about citizen concerns and problems, and are an excellent tool for building credibility in the community if proper follow through procedures are used.

Mini-City Halls. Neighborhood facilities, permanently or regularly staffed, to make information, services and assistance accessible to citizens, near where they live, work or shop. Mini-City Halls can provide a convenient location for citizens to get information, obtain applications for city programs and find assistance in completing forms, and can be a convenient location for holding neighborhood team or association meetings.

ADVANTAGES:

- They are very visible.

- They can be mobilized rapidly to deal with crises.
- They promote the free flow of information.

6. Conclusion

As we have seen, Citizen Participation is much more than just another political or public relations tool. It constitutes an entire perspective on governance, how government relates to its citizens and operates on a day to day basis. It is about having power **with** citizens, rather than **over** them. It is a process through which government, citizens and citizen groups work together, in partnership, to make plans and decisions, set common goals and objectives, design and implement programs and policies in order to enhance their probability of success, deliver services, manage conflict, and arrive at consensus or agreement.

Government officials can begin with steps as simple as:

- Making it a priority that departments and agencies make all public records easily available and as understandable to citizens as possible.
- Publish a regular newsletter of community issues, news and events, and an annual report of community accomplishments.
- Create regularly scheduled pubic information meetings and public hearings; and actively identifying and inviting specific citizens to attend each meeting until wide attendance becomes more natural.
- Conveniently schedule city council meetings and provide a separate and comfortable audience seating area in the city council chambers so that citizens feel welcomed and can easily attend.
- Conduct community information fairs.
- Establish committees of citizens and citizen group representatives to address and study important community issues and make recommendations.
- Actively seek partnerships with community non-government organizations (NGOs).

6.2. PROFESSIONAL ETHICS FOR PUBLIC OFFICIALS

We believe that ASPA Code of Ethics represents the major principles of ethics for the public officials. Therefore we included it in our guide.

ASPA Code of Ethics[1]

The American Society for Public Administration (ASPA) exists to advance the science, process, and art of public administration. ASPA encourages professionalism and improved quality of service at all levels of government, education and not-for-profit private sector. ASPA contributes to the analysis, understanding and resolution of public issues by providing programs, services, policy studies, conferences and publications.

ASPA members share with their neighbors all of the responsibilities and rights of citizenship in a democratic society. However, the mission and goals of ASPA call every member to additional dedication and commitment. Certain principles and moral standards must guide the conduct of ASPA members not merely in preventing wrong, in pursuing right through timely and energetic execution of responsibilities. To this end, we, the members of the Society, recognizing the critical role of conscience in choosing among course of action and taking into account the moral ambiguities of life, commit ourselves to:

1. demonstrate the highest standards of professional integrity, truthfulness, honesty and fortitude in all our public activities in order to inspire public confidence and trust in public institutions;

2. serve the public with respect, concern, courtesy, and responsiveness, recognizing that service to the public is beyond service to oneself;

3. strive for personal professional excellence and encourage the professional development of our associates and those seeking to enter the field of public administration;

4. approach our organization and operational duties with the positive attitude and constructively support open communication, creativity, dedication, and compassion;

5. serve in such a way that we do not realize undue personal gain from the performance of our official duties;

[1] Credit for the text to American Society of Public Administration

6. avoid an interest or activity which is in conflict with the conduct of our official duties;

7. respect and protect the privileged information to which we have access in the course of official duties;

8. exercise whatever discretionary authority we have under law to promote public interest;

9. accept a personal duty the responsibility to keep up to date on emerging issues and to administer the public's business with professional competence, fairness, impartiality, efficiency and effectiveness;

10. support, implement, and promote merit employment and programs of affirmative action to assure equal opportunity by our recruitment, selection, and advancement of qualified persons from all elements of society;

11. eliminate all forms of illegal discrimination, fraud, and mismanagement of public funds, and support colleagues if they are in difficulty because of responsible efforts to correct such discrimination, fraud, mismanagement or abuse;

12. respect, support, study and when necessary, work to improve federal and state constitutions, and other laws which define the relationships among public agencies, employees, clients and all citizens.