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SELECTION CRITERIA OF STRATEGIC GOALS FOR LOCAL GOVERNMENTS

Aim: Local development strategy is a widespread and commonly used instrument in public management. Strategies are applied by municipalities to develop their full potential. A key factor in effective use of strategies for local development are criteria for selecting strategic goals. The article is an attempt to provide applicable selection criteria recommended for local authorities for selection of strategic goals.

Methods: Finding a solution to this crucial part of creating any local development strategy required a range of different exploratory methods and techniques. The research process was based on mixed (both qualitative and quantitative) research methods. Purposeful sampling was applied for choosing in-depth interviews.

Results: Despite the huge differences in the level of development of municipalities in the Lower Silesia they exhibit remarkable similarities in the ways of creating and selecting goals. The conducted research showed that the criteria applied were inconsistent and varying which was a crucial drawback from the viewpoint of strategic management. The lack of stable, objective criteria impaired an effective attainment of strategic goals which in result hampered the implementation of local development strategy.

Conclusions: The combination of results of literature review and advanced empirical research allowed to provide selection criteria applicable for selecting strategic goals. They should be considered as a starting point to create “good practices” regarded as general pattern solutions for local authorities.

Practical implications: Research results indicate a neglected area in the field of local development – municipalities are mainly unaware of the factors resulting in the dramatically low level of implementation of strategic plans. Identified problems require local governments to take actions to overcome them. Current solutions to selecting strategic goals are unsatisfactory. The criteria presented in this paper offer crucial applicable recommendations to help municipalities overcome diverse difficulties of selecting goals in local development strategies. The additional value is the fact that the application of suggested criteria does not require large financial input, and are likely to support public sector’s development efforts.

Keywords: strategic management, strategic planning, strategic goals, municipality, local government management, local development strategy, local government

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INTRODUCTION

Gradual decentralization of state functions and the restoration of local government has made the municipal government a representative of a local authority, taking responsibility for generating development impulses and reaching community consensus on the future directions of development. Along with the development of a market economy based on competitiveness and entrepreneurship, new challenges and new opportunities for municipalities arise. In these conditions municipalities should develop their full potential, which will bring tremendous benefits to the entire local community. The effectiveness of actions taken by municipalities depends largely on the commitment, knowledge and competencies of local authorities, as well as the quality of strategic management.

Limited resources of municipalities compared with the needs of community residents must inevitably cause a conflict, since it is impossible to fully satisfy the needs of all members of the local community. Although there are many potential parallel goals, it is important to realize that the selection of strategic goals is absolutely crucial for the opportunities of future development. But how to make the right choices in this regard? What should be taken into consideration when selecting strategic goals? These are the questions this paper attempts to answer.

The criteria for selecting strategic goals, because of its consequences, are a key factor in the effective use of strategies for local development. Finding a solution to this main problem is a crucial part of creating any local development strategy. However, very little research to date has focused on the core issues of selection criteria for strategic goals. Previous solutions have been limited to fragmentary and very general recommendations for goals formulation, and moreover have failed to provide selection criteria applicable for decision making.

Thus, the paper aims at identifying criteria recommended for local authorities when they make decisions concerning the selection of strategic goals. To reach this, a holistic research was made to look for the selection criteria of strategic goals applied by Lower Silesian municipalities. To do this, an advanced empirical research process was based on mixed (both qualitative and quantitative) research methods including: (i) analysis of the source data, (ii) research survey, (iii) field research conducted in the form of in-depth interviews in selected municipalities of the Lower Silesian Voivodeship. Purposeful sampling was applied to select municipalities. In-depth interviews

showed different perspectives on the selection criteria problem in Lower Silesian municipalities.

Section 2 outlines the theoretical background on selecting strategic goals in municipalities. Section 3 provides detailed information considering methodology and research methods for analyzing selection criteria in Lower Silesian municipalities. In Section 4 the empirical results and discussion of selection criteria applied by municipalities are described and in Section 5 a proposal of selection criteria for selecting goals in municipalities is presented.

1. HOW TO SELECT STRATEGIC GOALS IN MUNICIPALITIES – A THEORETICAL BACKGROUND

Despite a considerable amount of literature on the subject matter, there is very little agreement as to the meaning of strategy. In the traditional approach, strategy is defined as a process of specifying long-term objectives with the plan providing details how to achieve these objectives (Chandler, 1962; Webber, 1990). K. R. Andrews follows that definitions indicating that strategy is the pattern of decisions in a company that determines and reveals its objectives, purposes, or goals, produces the principal policies and plans for achieving those goals (Andrews, 1971). Mintzberg argues that strategy emerges over time as intentions collide with and accommodate a changing reality. Thus, one might start with a perspective and conclude that it calls for a certain position, which is to be achieved by way of a carefully crafted plan, with the eventual outcome and strategy reflected in a pattern evident in decisions and actions over time (Mintzberg, 1985).

Despite some differences as to the meaning of strategy outlined in the literature review, the mentioned definitions draw our attention to the fact that establishing goals and pattern of actions and decisions are commonly considered as an integral part of strategy.

Local development strategy (Blakely, 2002) is a widespread instrument applied by municipalities that supports their management process. The increasing role of a communal self-government triggers the need for new strategies enabling its proper functioning which can be achieved through a long-term analysis of the local social problems. This is reflected in a recently observed increased interest of municipalities in working out strategies for future development. In recent years, local authorities try to go beyond one year budgeting and capital expenditure, planning for a longer-term focus. Although not obliged by law, numerous units have undertaken actions to

elaborate strategies in a form of documents with a long-term perspective. Local development strategy has numerous beneficial effects, mainly such as (Pająk, 2005; Ziółkowski, Goleń, 2006; Brol, 2004):

- a) accumulation of limited funds and actions around the main expectations of local communities,
- b) coordination of operations undertaken by local units to enable the planned development,
- c) opening to new perspectives for financial support from European Union funds.

All these factors indicate the most important benefits of strategy. In particular the long-term strategy should be used to coordinate the activities of the different local stakeholders, both public and private, and directing their efforts to achieve specific goals. In order to achieve this, strategic documents should contain clearly defined goals. This applies particularly to the formulation of strategic goals and its selection criteria, because they influence the essence of strategies and the chances of its implementation.

It is important to note that conflicts of interest are inevitable during the selection of strategic goals. Their range and intensity result from the application of a participation method to achieve the strategy (“collaborative planning”) (Brol, 2003; Goldstein, Butler, 2010) where many local entities participate and report their different needs and expectations as regards a long-term growth of a given territory. The avoidance of the above mentioned potential threats is not possible without clear selection criteria for goals from the viewpoint of an entity under study. The lack of such criteria results in many tensions and conflicts that may subsequently cause the absence of social approval of accepted solutions in the strategic framework.

After all, no doubt that the expression of all possible needs as strategic goals decreases their chances to be actually attained and also reduces the effective applicability of strategy in currently management of municipalities. Despite the fact that there are many potential goals, it is crucial to realize that a conscious choice of key priorities for the development of a given community is absolutely necessary. The relationship between strategy content and strategy process is yet to be investigated, for this study has but scratched the surface of a promising field of public sector strategy research. The interdependence between goals, resources and capabilities, and moreover, the adaptation of these three resource management factors to changing external conditions, has been suggested and observed, but not statistically corroborated (Knutsson, Mattisson, Ramberg, Tagesson, 2008).

Hence, one has to approve criteria used to determine which expectations reported by participants are key from the viewpoint of communal long-term development. An uncoordinated set of tools will at best fail to address some issues; at worst, they can address the wrong issues (Weisbrod, Piercy, 2007). The consequences of any errors, defaults and shortcomings in this area may be severe and could easily make ineffective all efforts to construct a model of development (Mintzberg, 1994).

The literature of the subject matter extremely seldom deals with these issues and does not indicate a unique, coherent understanding of the term, thus impeding the usage of the term. To avoid confusion, it seems advisable to reach for the basic definition given by a dictionary of the Polish language (Słownik języka polskiego, 2006). Its analysis allows a statement that a “criterion” is *a factor used a basis of evaluation, selection or qualification*. Within this definition, one feature is particularly significant and worth highlighting, i.e. the function of selecting that allows to use the criterion for identifying those goals among all propositions that will contribute to reaching the desired goals to the highest degree.

As regards the realization of the selection function, it is worth confronting the above quoted definition with the opinions on criteria presented in the literature of the subject matter. It turns out that in such a critical issue for management we deal with just a few interpretations and very general recommendations. One of the rare approaches in this area indicates that the following items can be considered as selection criteria (Stabryła, 2005):

- risk,
- general preferences,
- external situations and internal conditions,
- time perspective,
- system of values.

The presented interpretation does not however specify which criteria precisely belong to the given conceptual categories used to evaluate a set of goals. The author merely states that their particular kinds are determined for practical purposes, while also emphasizing the need for finding “their operational form” without giving any clues in this area. The above statements are by no means correct, however, they do not indicate any specific examples of criteria based on which long-term goals might be selected. Hence, they do not allow to formulate valuable application conclusions.

While seeking theoretical underpinning for interpretation that would allow to indicate choice criteria of strategic goals in municipalities, it is

worth referring to similar topics connected with the formulation of goals. The available literature merely points to sets of general indications – such as “goals should be logical” or “goals should be realistic” (Penc, 2005) – but they cannot be implemented without adequate specification. In this context, it is worth noticing that they typically refer to the SMART (Miller, Cunningham, 1981; Doran, 1981) rule that emphasizes the most significant attributes of goals. According to this rule goals should be:

1) Specific – i.e. clearly defined, concrete. A goal that is correctly formulated should be concrete and precisely stating what we aim to achieve. It is hardly to expect that fuzzy and ill-defined goals would be the guidelines of rational action and the basis of evaluation.

2) Measurable – i.e. easily measured. According to this criterion, a certain measure must exist that is used to evaluate the degree of the goal’s achievement. The optimum would be if this criterion was quantitative, represented numerically. There are cases however when it is very difficult or even not viable. Then as unambiguous as possible qualitative criteria are strongly needed.

3) Achievable – a goal should be feasible for a given entity. Too ambitious, impractical goals result in the decline of motivation to action. A similar result follows when we formulate easy goals, that can be attained with no effort. When determining goals, one should therefore consider proficiently reality and ambitions. They should be a challenge, and their attainment should be possible thanks to considerable input of work, dedication and persistence.

4) Relevant – i.e. realistic. This should be attained by linking goals with the life of a given person. In such a case, actions that aim to achieve the goals seem to make more sense and deserve more effort. This results in more motivation to act.

5) Time-bound – one should set timings for achieving the goals. Even clearly defined goals linked to life mission and achievable are actually seldom attained when they miss a clearly defined timing. This results in consequently procrastinating “for tomorrow,” “for better times,” etc.

The above recommendations stand for the essence of the SMART rule applied by consulting professionals in the United Kingdom and widely accepted in Europe. According to this rule, goals should be both realistic and ambitious so as to be a challenge and lead to the development of an organization. The SMART rule therefore offers some clues regarding goals in that it specifies their desired attributes.

In addition to the general recommendations on the formulation of goals, the literature only occasionally provides more detailed guidance but mainly

related specifically to the issue of the goals' correctness. In this regard, particular attention should be drawn to the following issues (Czornik, 2003):

- correctness of the content of goals,
- the formal correctness of the goals,
- the internal coherence of the structure of goals,
- a hierarchy of goals,
- the functional correctness of the goals' structure.

Similarly, other authors has been focusing mainly on the issue of the goals' correctness. In the literature there is a surprisingly low number of research dedicated to the core issues of selection criteria for choosing goals. The research has tended to focus mainly on the issue of goals' correctness rather than to indicate the principles of their choice. Unfortunately, it fails to provide criteria of goals selection, because the knowledge of how to formulate goals still does not indicate how to classify goals into main and secondary goals. The above considerations prove that the subject matter literature relatively seldom touches the topics of how to select strategic goals. Infrequent approaches addressing the problems of criteria point to a very general understanding of the concept. In the context of research issues and aims of this paper, it has to be stressed that the presented recommendations, strictly speaking, are not selection criteria used for decision making, being rather a general suggestion for their analysis.

2. METHODS

To fill in the gap, holistic research was made to look for the selection criteria of strategic goals applied by Lower Silesian municipalities. To do this an advanced empirical research process was based on mixed (both qualitative and basic quantitative) research methods that include (Figure 1):

- 1) Analysis of the source data, i.e. development strategies of municipalities in the Lower Silesian voivodeship, plans for local development, long-term financial plans and long-term investment programs, local budgets as well as other documents related to the strategic development of municipalities,
- 2) Research survey addressed to all municipalities in the Lower Silesian voivodeship (169 self-government entities),
- 3) Field research conducted in the form of in-depth interviews in selected municipalities of the Lower Silesian voivodeship.

In the initial stage of the research the analysis of the source data was conducted, which enabled to obtain the information about local development

plans from 70 Lower Silesian municipalities (approximately 350 strategic goals). The structure of the analysed local development strategies was similar to the generic structure of municipalities in the Lower Silesia voivodeship.

When examining development strategies of Lower Silesian municipalities, comparative analysis based on heuristically identified attributes was applied. Further research was conducted according to the survey aimed towards identifying the process of selecting goals and the main barriers to the implementation of strategic goals. The questions asked in the survey were answered by 89 municipalities (a response rate of 53 per cent)¹. The collected data was analyzed in detail, focusing on criteria used by municipalities to select their strategic goals.

Finally as a result of holistic data analysis, a group of 20 municipalities was selected and field research was conducted. In-depth interviews aimed at a detailed recognition of selection criteria applied by Lower Silesian municipalities. The interviewees were heads of local government managing municipalities as well as persons related to financial and strategic aspects of municipalities' development. In-depth interviews were performed in order to address sensitive topics and reveal the underlying motives of the interviewee's attitudes, behaviour, and perceptions. To do this, an open-ended, discovery-oriented interview was carried out. The design of the interviews was based on open-ended questions, semi-structured format to seek understanding and interpretation. Responses were recorded and field notes were written including additional personal observations and reflections. In order to identify which case to study purposeful sampling was applied. The selected cases showed different perspectives on the selection criteria problem in Lower Silesian municipalities (purposeful maximal sampling – Creswell J. H., 2005).

To put research conclusions to the test further meetings were held with other organizations and institutions related to financial and strategic aspects of local development (i.e. consulting companies, communal marketing agencies, regional development agencies, Regional Chamber of Auditors).

3. SELECTION CRITERIA OF STRATEGIC GOALS IN LOWER SILESIA MUNICIPALITIES – RESULTS AND DISCUSSION

The research survey showed that over 90% of the Lower Silesian municipalities have already elaborated their development strategies (78 out

¹ The response rate should be recognized as high and adequate for further analyses and reports (Babbie, 2004).

of 89) or have been making efforts to create strategy (3 out of 89). This has been done mostly by outsourcing the creation of strategy (Figure 2) either to consulting companies (over 37%) or external experts, i.e. employees of universities (over 33%). Only 1 out of 10 strategies has been created with the assistance of external experts as well as the representatives of local communities.

Overall, the results based on analysis of local development strategies showed a significant similarity in long-term goals of development selected by Lower Silesian municipalities. While the municipalities were very different in terms of social and economic potential, the strategic goals (Top Rank Objective) they selected seemed to be very similar (Figure 3). Surprisingly over 50% of municipalities regardless of their area, number of population as well as municipal budget and income per capita were aiming at:

- 1) supporting local economic growth,
- 2) making efforts to develop technical infrastructure,
- 3) protecting the natural environment,
- 4) raising the level and quality of life.

On the other hand just a small number of municipalities (9%) considered the improvement of management's efficiency as a strategic goal.

The advanced comparative analysis of the local was strategies based on heuristically identified attributes showed that Lower Silesian municipalities approved strategies with mean time horizon of 11 years (standard deviation of nearly 4). Interestingly, some local municipalities (i.e. Warta Bolesławiecka) applied a time horizon of only 4 years, while others chose strategic goals for 20 years (i.e. Bystrzyca Kłodzka). It should be taken into consideration that in the European Union local and regional development is planned in cycles of 7 years.

Lower Silesian municipalities approved strategies with an average number of over 5 strategic goals (standard deviation of 3.14). Remarkably some strategies approved only 1 strategic goal (Żarów, Żukowice) in contrast to 22 strategic goals applied by Gryfów Śląski. No connection between the attitude (towards time horizon and the number of goals) and social or economical potential of municipalities was observed. Moreover the local development strategies of Lower Silesian municipalities only occasionally referred to other planning documents both in a vertical (covering levels of a district, a voivodeship, a country and the EU) and horizontal approach (other municipalities).

Interestingly, the research showed that local municipalities typically declared offensive goals. On the one hand, this is desirable, but on the other

raises questions about the reasons of such an approach, first of all about the chances of their implementation.

These doubts are raised by the fact that the hierarchy of goals is often a crucial drawback in local development strategies. In the vast majority of cases all goals were considered equally important and simultaneously become priorities (appropriate annotations in the strategies). We are aware that our research may have some limitations, but it seems that this problem has a wider scope and more general nature, since a research project involving 32 district towns of Silesia has provided similar conclusions² (Czornik, 2003). This fact faced with the offensive nature of the formulated goals and financial weakness of the municipalities is of particular importance.

The analysis of the declared aims proved moreover that the local governments only in exceptional cases take the risk of stressing its individuality based on local issues. Additionally in-depth interviews proved that decisions made by local authorities extremely seldom got away from stereotypes, due to a lack of innovative character. Moreover, the origin of approved goals often remained completely unclear, i.e. there was no evidence to confirm that goals were truly the key challenges of municipality. This raised questions about the criteria applied in selecting strategic goals.

The most striking result to emerge from analysis of local development strategies and in-depth interviews is that several municipalities had identical strategies (including diagnosis, set of goals, implementation plans) not taking into account the particular conditions of municipal unit. The accumulation of problems faced, pressure of current needs and the inert character of activities undertaken by local authorities result in schematic choice and do not favour reflection on new, more innovative ways of solving the problems they experienced.

To implement the local strategy, coordinated actions are required, as determined by documents prepared at local government level. Further research conducted according to survey showed that many municipalities (over 30%) have not developed a timetable for implementing the strategy (Figure 4). However the vast majority (83%) of Lower Silesian municipalities claims to assess the degree of implementation of strategic goals, only 42% prepared reports measuring the performance of carrying out the strategy and fewer than 38% of municipalities had a strategy update procedure (Figure 5-7).

² The result of the research project "Implementing the concept of development in district towns of Silesia" funded by the Research Committee (Grant KBN 2 H02C 08722)

It is worth noticing that the order of questions in the survey questionnaire was changed to prevent municipalities from seeing the links. Assuming that the vast majority of municipalities indeed assess the implementation of goals, it mainly does not result in preparation of reports and has an even weaker effect on the update of this strategy, this approach raised serious concerns.

Moreover, the research survey showed that over 75% of the Lower Silesian municipalities perceived financial constraints as the main reason of making the strategy implementation unsuccessful (Figure 8). It is very important to note that over 34% of municipalities mentioned the financial aspect as the only barrier to prevent the implementation of strategic goals. In contrast only 10 Lower Silesian municipalities made efforts to improve the efficiency of municipal financial management. These focused mainly on improving methods of budget planning, for example through the introduction of budgeting, the usage of cost-benefit analysis. No activities in this area were reported by the rest of municipalities.

It is fundamental to note that despite financial incentives which have encouraged local municipalities to join since 2003, neither Lower Silesian nor other Polish municipalities decided to take advantage of this opportunity³. In-depth interviews indicated that even in neighbouring (urban and rural) municipalities of Lubań and Bolesławiec, despite having complementary resources, no agreement to join has been achieved. This underlines how important the political interests are. Further analysis showed that political matters created serious problems in strategy implementation. Changes in local authorities often resulted in abandoning the strategy approved by previous political option and creating new strategy instead of updating it. In the long term this common approach was a major drawback in the implementation of strategic goals. However, political matters and changes in local government resulting in abandoning the strategy implementation were chosen as the main barrier only by 6% of the respondents.

The research survey indicates the existence of a broad set of factors that hinder the implementation of local development strategies. The most striking result to emerge from the data is that the municipalities attach a much greater

³ The Polish Government intends to strengthen the incentives for joining units in a new strategy called Better Government 2011-2020 because "the smaller the municipality is, the more resources are relatively spent to maintain administration, and this in turn could reduce pro-development expenditure. The incentives should enhance the potential of local government income".

importance to external barriers. The lack of progress in the implementation of the strategy is therefore usually seen as a result of circumstances that are outside the sphere of influence of municipalities. Importantly, they mostly underestimate their abilities to influence the implementation of local development strategies. It has to be stressed that the effects of this process depend largely on the ability of municipalities to overcome diverse encountered difficulties. Meanwhile, there is a widespread belief in the inability to implement strategic plans because of financial constraints.

Not surprisingly, local strategies are not consequently realized. But this is mainly due to the mistakes made at the strategy formulation process which renders its successful implementation difficult. A common fault was establishing too many targets and not taking into account financial constraints which as a result made their execution very unrealistic. Consequently local development strategies often remained as paper declaration with only a marginal chance of implementation. A further barrier was related to the limited skills of communal staff to obtain external financial sources. Taking advantage of European Union funds was still not well enough developed in many municipalities.

Generally speaking, the results acquired through in-depth interviews aimed at a detailed recognition of selection criteria applied by Lower Silesian municipalities revealed that one of the most significant problems of formulating and selecting development goals was the transformation of particular group interests into strategic goals common for the entire local community. The conducted researches indicated that commune's authorities only occasionally used tools of examining the local preferences to get the development priorities of the local community. As a result, there was a noticeable trend to formulate general goals not arousing any social controversy. It is absolutely crucial to note that local development occurs due to solving key problems, not merely as a result of communicating all possible needs (Oblój, 2007; Drucker, 1976).

Moreover, willingness to include all possible paths of development in local strategies is in contradiction with strategic recommendation to select priority activities for the future and tend to concentrate resources. It is absolutely crucial to note that the vast majority of municipalities indicate limited financial resources as the main barrier to accomplishing their strategy (Ignacy, Kopyściański, 2006) but surprisingly very little efforts were made to overcome obstacles.

The economic weakness of most municipalities requires special attention to the efficiency of their expenses and to making decisions affecting future

development. In this situation the formulation of development strategies must be done with an awareness of the framework conditions including level of development, the financial potential of municipality, existing legislation as well as the opportunities to obtain external financing for investments. The crucial success factor is the selection of the most important and most urgent goals in terms of supporting local development and consistent with the hierarchy of need of the local community. It is important to be aware of the fact that there are and there will be many unresolved problems, which cannot be included in the strategy because they are not crucial to the future of the municipality.

A key issue in municipal resource management is to comprehend the relationships between resources, capabilities, goals and external conditions (Knutsson, Mattisson, Ramberg, Tagesson, 2008). It is surprising that despite the enormous diversity of the financial potential and level of development among the municipalities of Lower Silesia, they exhibit a very similar approach to this issue, making decisions which could lead to a failure of strategy already at the stage of its creation. These results offer overwhelming evidence for regarding the formulation of strategic goals in most Lower Silesian municipalities as wishful thinking that is separate from actual financial constraints.

The difficulties are compounded by the fact that, generally speaking, the goals approved by Lower Silesian municipalities are not open, thus making it hard to gain supporters of their attainment. As a result, they do not contribute to the agreement of various entities, thus reducing the possible cooperation between the public sector and private units. Due to the observed low degree of participation (Blair, 2004), the identification with ongoing strategic actions is made significantly difficult while participants are not supported in their activity, nor are they adequately responsible for the effects of their acts. It has to be noticed that municipalities extremely seldom analyze the linkages of their own strategies with the goals of strategies of other self-government units. This approach is likely to limit the opportunities of gaining stakeholders to support local efforts for communal development. Thus, no synergy among self-government units can be achieved.

An advanced empirical research has led us to conclude that despite substantial differences in the levels of development of Lower Silesian municipalities, their approach to selection of strategic goals is very similar. The three key results of empirical study in this field are:

(i) The selection criteria of strategic goals applied by Lower Silesian municipalities do not represent a coherent, comprehensive system of formulating strategic paths of municipality's development.

(ii) The criteria applied to select strategic goals are inconsistent, obscure and varying which is especially harmful from the viewpoint of strategic management. Therefore, strategy is not effectively supporting management of municipality. Further, it does not fulfil one of its most essential functions, i.e. the function of selection.

(iii) A lack of stable, objective criteria severely impairs (sometimes even prevents) an effective attainment of strategic goals which in turn hampers the implementation of local development strategy.

4. RECOMMENDED CRITERIA FOR SELECTION OF STRATEGIC GOALS IN MUNICIPALITIES

The combination of results of literature review and advanced empirical research allowed to provide selection criteria applicable for selecting strategic goals. They should be considered as a starting point to create “good practices” regarded as general pattern solutions for local authorities.

One of the most important selection criteria for strategic goals should be their **consistency with the expectations of the local community**. This means that axiological assumptions with respect to development are to be made exclusively by the local community and should not reflect only the value system of local authorities (Czornik, 2003). Public consultation has appeared as one of the major elements of strategic planning at municipal levels (Humayun, 2009). To identify local community’s expectations, regular investigations (i.e. surveys, questionnaires, meetings) considering key local issues should be carried out. Such activities are likely to support achieving local agreement upon key long-term goals (Potoczek, 2003). This facilitates understanding between authorities and local community in key development issues, and also increases the chances of influencing future development. It is crucial to realize that local strategy will not eliminate conflicts between various groups of interests, but it should contribute to narrowing the gap and facilitate reaching an agreement on key development issues.

Limited resources of municipalities compared with the needs of community residents must inevitably cause a conflict, since it is impossible to fully satisfy the needs of all members of the local community. This inevitable conflict therefore draws attention to another criterion in the process of strategic goals selection, i.e. the **availability of financial sources**. The effectiveness of actions taken by municipalities is affected not only by

making the right choices but also by the chances of their implementation. Thus, it is essential to confront strategic goals with the financial constraints of the municipality to enable a smooth transition from the phase of strategic choices to the stage of implementation.

The awareness of existing constraints forces local government to search for stakeholders which should support the local strategy implementation. During the planning stage therefore, it becomes necessary to **consider potential cooperation** between entities influencing local development. It is widely recognized that local government should play the leading role in sustainable development, as a partnership approach promotes collaboration among communities, industries, and other government entities (Liou, 2009). Failure to incorporate stakeholder preferences and expectations in the strategy can lead to an excessive focus on short-term financial results and even undermine long-term performance (Springer, 2008).

The need for cooperation is inevitably linked with the need to search for links between long-term goals of the municipality and the goals contained in other planning documents. All possible relationships in this case should be examined both in a vertical (covering levels of a district, a voivodeship, a country and EU) as well as a horizontal approach (other municipalities). This is to reflect a commitment to ensure the consistency of socio-economic planning, finance and planning. **The consistency of goals adopted by a commune with the outcomes of other planning documents** creates conditions favourable for achieving sustainable development (Michelsen, 2002; Hauff, 1987; Otto 2007). This should be considered as a starting point to gain synergy that significantly increases the chances to achieve the long-term expectations of a local community.

The presented recommendations contain a set of four main interlinked and coherent criteria (Figure 9). In practical terms it is important to note that the omission of one or more criteria distorts the sense of using others. Therefore, during the creation of local development strategy, municipalities should prefer goals which to a greater extent meet the recommended criteria, i.e. are consistent with the expectations of the local community, consistent with the findings of supra-local strategy, facilitate cooperation, gain stakeholders and allow to acquire adequate financial sources to achieve selected goals. As a result, the proposed criteria should be considered in holistic categories and regarded as a set of factors creating positive feedback, and in this way enhancing the effectiveness of actions taken.

5. CONCLUSION

The selection of strategic goals is absolutely crucial in creating any local development strategy. The criteria used for selecting goals greatly influence the quality of strategy and the chances of its successful implementation. In the light of research findings, various combinations of criteria applied by Lower Silesian municipalities were evaluated to provide selection criteria applicable for selecting strategic goals in local government.

Recommended criteria are expected to support local government by developing its full potential which will bring enormous benefits to the entire local community. The additional value is the fact that the application of suggested criteria does not require a large financial input.

Our work clearly has some limitations, mainly as a result of the fact that only Lower Silesian municipalities were investigated. Nevertheless, we believe that our finding could be applied with caution to other Polish municipalities and constitute an initial step to support decision makers and influence policy planning.

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Received: January 2011, revised: August 2011

APPENDIX

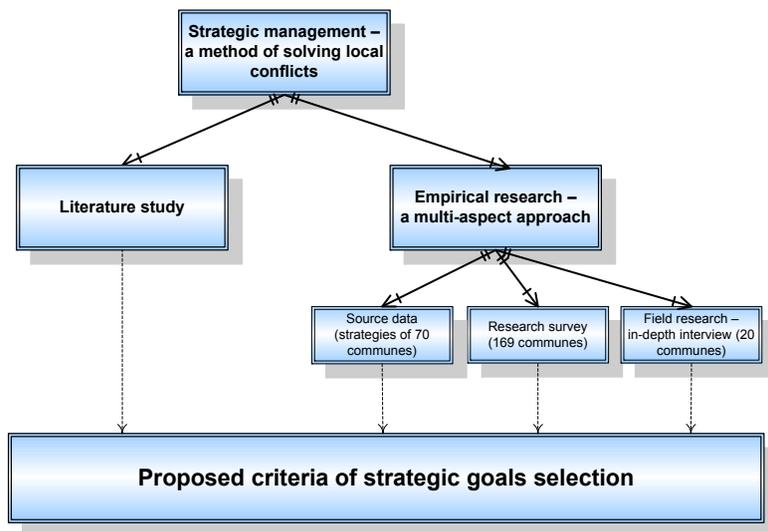


Figure 1. Graphic presentation of the research approach

Source: own elaboration

Strategy created by	% of total
External experts (i.e. employees of universities)	33.(3)%
Consulting companies	37.18%
Municipality and the municipal employees	17.95%
Mixed teams (i.e. external experts as well as the representatives of local communities)	11.54%

Figure 2. Authorship of the strategy – results of survey research

Source: own elaboration

Strategic goal	% of total
Supporting local economic growth	92.73%
Development of technical infrastructure	60.00%
Protection of the natural environment	52.73%
Raising the level and quality of life	52.73%
Development of tourism	40.00%
Restructuring of agricultural areas	32.73%
Housing infrastructure	18.18%
Social activation	16.36%
Development of education	14.55%
Promote flexible and alternative forms of employment	12.73%
Investments in sport and cultural infrastructure	10.91%
Promotion of local territory	10.91%
Improving the efficiency of communal management	9.09%
Better access to medical services	9.09%

Figure 3. Strategic goals of local development in Lower Silesian municipalities

Source: own elaboration

Have you developed a timetable for implementing the strategy?	% of total
Yes	69.23%
No	30.77%

Figure 4. Timetable for implementing strategy – results of survey research

Source: own elaboration

Do you assess the degree of implementation of strategic goals?	% of total
Yes	83.33%
No	16.66%

Figure 5. Assessment of implementation of strategic goals – results of survey research

Source: own elaboration

Do you prepare reports measuring the performance of strategic goals implementation ?	% of total
Yes	41.56%
No	58.44%

Figure 6. Reports of strategic goals implementation – results of survey research

Source: own elaboration

Is there a strategy update procedure developed ?	% of Total
Yes	37.18%
No	62.82%

Figure 7. Strategy update procedure – results of survey research

Source: own elaboration

What barriers do you think hinder or block the execution of local development strategies?	% of total
Financial constraints	75.64%
Legal barriers	15.38%
Organizational barriers	15.38%
Macroeconomic barriers	14.10%
Psychosocial barriers	8.97%
Political barriers	6.41%
Barriers related to infrastructure	3.85%

Figure 8. Strategy implementation barriers – results of survey research

Source: own elaboration

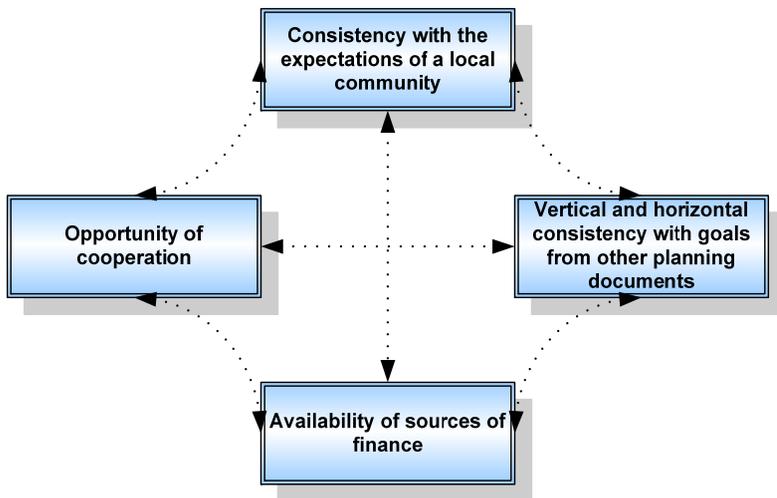


Figure 9. Graphic representation of the system of interlinked criteria for strategic goals selection

Source: own elaboration