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# **THEORETICAL AND PRACTICAL ASPECTS OF POLISH STRATEGIC PLANNING IN REGIONAL AND LOCAL SCALE – PLANNING REASONS AND STRATEGIC DIAGNOSIS**

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## ***Key words:***

Strategy – self-government – planning reasons – strategic diagnosis

## ***Abstract:***

The article refers to problems of strategic planning related to Polish local authorities. The Authors concentrate on the reasons for a strategy construction and on strategic diagnosis. They present main theoretical assumptions in the above areas, as well as the results of their observations performed in the process of many conducted research and implementation studies. The differences between theory and practice are discussed and explanations for their reasons are provided. The article is concluded with recommendations for the development of self-government strategic planning phenomenon.

## **Introduction**

The hereby article aims at presenting selected information, which constitute the result of research work conducted by the Authors, consisting in the preparation and implementation of over sixty developmental strategies for Polish communes, districts and regions. They deal in problems of reasons for a strategy construction, as well as preparing strategic diagnosis and analysis constituting an initial part of planning processes.

## **Reasons for a strategy construction**

The theory of local strategic planning points to its four main functions. The first one is the choice of developmental priorities and also the main methods and instruments for local economic, social and environmental policy used for implementing them. The need for making such choice results from confronting the phenomenon of limited resources and time which could be devoted towards stimulating local development. The second function refers to rationalization of current decisions taken up by self-government bodies. Defining strategic goals of development, as well as the prospective scenario for their realization makes them dependent on long-term priorities. The anticipation of potential critical moments in the development of local economy and effective activities aimed at eliminating them, or alleviating their effects, also represent the function of strategic planning at a local level. The fourth function is related to activating or obtaining exogenic factors of local development. They can take the form of public and private investments carried out in the area of local system, but using external capital. It could also be represented by non-investment projects facilitating the development of a commune or a district, but performed with the support of external means.

The picture of strategic management practice, performed by local self-governments does not, however, stay in full agreement with theory. One cannot deny that many self-government representatives do recognize the described above planning reasons. It refers, in particular, to the last function mentioned. Accepting long-term development planning results also, and sometimes mainly, from other reasons. The first of them is the desire to adjust the range of communal services to current and also frequently to future expectations of inhabitants. It may seem that such attempt must not be contrary to theoretical reasons. What is more, in some publications it is listed among them. Reality, however, offers examples of conflicts. These are the situations in which strategic activities taken up by self-government authorities, which aim at meeting the most intensely articulated social expectations, do not coexist with most favourable solutions from an objective point of view. This problem is, however, quite complex and related to undertaking local development as the form of changes in local economy by perceiving them as objectively optimal, or subjectively desired. Equally important argument for the authorities is the willingness to prepare adequate background in the merits, as well as social support for restructuring selected areas of self-government activities. It refers to creating, in the process of strategy preparation, such atmosphere that facilitates the long awaited, necessary and, at the same time, manifold alterations of self-government administration system and the group of self-government companies. Owing to the above, public opinion is more and more willing to accept the set of changes which if suggested individually could enjoy much weaker acceptance. The development of their public relations is the next planning motive of self-government activities. Planning process enriched by broad social consultancy, progress in realizing projects shown by mass media, solemn board meetings or publications promoting concepts and visions of communal development and strategies aimed at making it real, altogether construct their self-assurance of having taken good decisions during self-government elections and strengthen the probability of repeating the election success.

In case of Polish regional self-government strategic planning objectives have been specified in the due Act and cover the following goals: cherishing Polish identity, developing and creating national, civic and cultural awareness of inhabitants; stimulating economic activity; improving the level of regional economy competitiveness and innovation; preserving values of cultural and natural environment in view of future generations needs; establishing and preserving spatial order. The above objectives present general, focused guidelines around which goals and activities should be defined in the practice of strategic planning which take regional conditions into consideration. Law, however, is not the only basis which inspires, in the merits, the decisions included in such planning document. Regional development strategy represents the component – resulting from the programming rule obligatory in EU regional policy – of the system for development planning and programming. It, therefore, does not come as a surprise that in practice, apart from statutory objectives, other goals obtain this rang, which are quite diversified. Eg. self-government of Lower Silesia region defined the aims of its strategy as follows: activating inhabitants by broadening their involvement in carrying out public tasks and the improvement of inhabitants' living conditions. Self-government of Podkarpackie region accepted that a strategy serves overcoming structural economic and social problems in the region. On the other hand, self-government of Łódzkie region defined its objective as ensuring higher attractiveness of regional investments. There were also presented opinions that

one of the most important reasons for their construction is meeting the formal requirement indispensable for obtaining external financial means.

### **Strategic diagnosis**

One of the first and, at the same time, the fundamental stage of work on a strategy is conducting a diagnosis and a strategic analysis on its basis. The diagnostic phase should consist in identifying properties of a given area, and also active (potential) external factors influencing (or likely to influence) these properties. Such identification has to be performed in a timely perspective, so that the obtained data were not only of ex post, but also of ex ante nature. The analysis, on the other hand, should focus on such data processing which will result in the discrimination of insignificant ones and drawing valuable conclusions from the other data. In case of both, local and regional self-governments, literature refers to these guidelines in a different way. Most frequently, however, the need to perform territorial study of endogenic developmental potential is emphasized. Conducting it, together with the analysis of tendencies which have been occurring so far, serves the task to bring about an effect in the form of the, so called, prospective diagnosis as an attempt to recognize the future of territorial system. It is also emphasized that there is the need to identify and measure endo- and exogenic functions and define relations between the needs of local system functions and the capacity of its management. Equally frequently the role of all kinds of methods, for obtaining information of a subjective nature, is underlined, among which there are surveys, workshops, or other methods of obtaining knowledge about public opinion. In recent years it is also benchmarking which gains importance, as well as the foresight regarding changes in macro-environment resulting from EU accession and globalization processes. It is recommended to complete diagnostic research by strategic SWOT analysis. Opinions, however, can be heard that it is not adjusted to attributes of local authorities and constructively alternative solutions are propagated.

Theoretical output regarding diagnoses and analyses is very rich and covered by the domains of at least several types of science. Practice, however, takes advantage of this output in a limited scope. Imperfections may become identified mainly in relation to complexity of territorial system properties' identification, exogenic determinants, surveys and foresights. In the first case it refers to gaps in the identification and analysis of territorial system attributes. They are usually related to its economic sphere, including investment processes, relations between main enterprises and the level of their efficiency, innovation and modern trends. Generally, relations between functional structure evolution and management structure are also frequently disregarded, and in the second case these relations which refer to abandoning, or extensive limiting of European and global contexts. Numerous problems also occur while conducting surveys. This research method only seems to be easy. The key factors facilitating its successful application are as follows: correct preparation of questions and available answers, proper selection of a research sample, full involvement of respondents and skilful analysis of results. Unfortunately, it is in these domains where mistakes are made most often. In spite of the need for prospective orientation, already emphasized in literature, the construction of foresight in the process of developmental strategy preparation is a rare phenomenon.

As far as three first issues are concerned, it has to be recognized that the differences between theory and practice result mainly from limitations in information availability

and insufficiency of knowledge. It cannot be neglected that the majority of strategies are based on data, which the subject responsible for strategy preparation managed to collect using such sources as public statistics, monographs, registers and evidence at the disposal of the self-government and its units, as well as planning documents prepared earlier. However, such scope in many cases turns out to be insufficient. It refers mainly to communes. Imperfections of Polish public statistics system consist in the fact that it provides fewer data about communes than with reference to districts or regions. Besides, it frequently occurs that the due data are outdated, which results from a long cycle of their publication. Full diagnosis is also made difficult owing to data regarded as statistically confidential.

The second reason – knowledge insufficiency – is connected with the subjects of research procedures. Usually only simple analytical tools are applied. Intermediate or very advanced instruments of statistics, economic diagnosis, operational studies, prognosis, taxonomy and econometrics, despite their usefulness often proved in research, are practically not applied at all. It means that research subjects do not have attributes allowing for their application at their disposal, or that there are certain obstacles which effectively reduce the opportunity for using these attributes.

In case of the fourth problem, the reason for the occurring imperfections is difficulties accompanying the process of preparing prognoses of certain phenomena. The first one, already mentioned, are the limitations in accessing data. The second is intensive changeability of some external factors influencing such systems, like eg.: territorial development policy conducted by regional and national authorities, or phenomena of migration dynamics. Other reasons are numerous, negative experiences in preparing prognoses and, what results from it, negative attitude towards continuing analyses in the future. Certain unwillingness to apply foresight techniques is also ingrained in frequent differences in developmental concepts and investment plans of local authorities which take over the following terms of office.

### **Final remarks**

The presented inconsistencies should be treated as an opinion voiced in the discussion on the need to intensify three processes which should be joined by feedback. The first one is represented by popularization of the well established and checked methods for strategic management in self-government environment, however not only among self-government representatives, but mainly among middle level management, which is most often responsible for preparing a project of a strategy and later for its implementation. This process would also facilitate an increase in requirements presented by self-governments to external consulting companies preparing ordered strategic plans. The second process, which should occur, takes the form of a moderate formalization of strategic planning by defining minimum requirements, as far as its content is concerned. In Poland none of the legal acts in force puts an obligation on local authorities to define their developmental strategies. On the other hand, in case of regional authorities it seems indispensable to define minimum standards to be met by their strategies. The third, equally important process consists in developing theoretical background, so that it could be practically applied at all three levels of self-government and mainly in case of these which suffer limited financial and human resources.

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