Evaluating Strategic Planning: The ‘Performance Principle’ and its implications for assessing Regional Agendas

Traditional planning used to assume that the capacity to act predominantly builds upon the ‘plan’ as the main instrument. Once adopted, the plan had to be implemented to be considered successful. In reality this model never worked. The addressees of the plans had too many options to avoid the plan. Instead of simply asking whether a plan (or a programme, e.g. a regional agenda 21) was implemented or not, it is more instructive to analyse the affected decisions and ask, what people have learned from the plan. Admittedly, this implies a new understanding of planning as a communicative social process aiming at the improvement of subsequent decisions.

The paper builds on the design for evaluating regional strategic planning by Faludi / Korthals Altes (1994) and Healey (2002). Both concepts emphasize the embeddedness of planning in the governance process. Whereas the former suggests looking at those decisions implying the strongest commitments on which the plan should have had a bearing, the latter concept focuses on the ability of new regional governance initiatives to affect the flow of resource allocation. Empirically the paper relates to the German federal competition ‘Regions of the Future’ (1997-2000) and highlights the requirements for successful regional agendas 21.

1. Renaissance of Strategic Planning in Europe

In the context of sustainable development in Europe a renaissance of strategic planning is beyond doubt (Healey et al. 1997, Salet & Faludi 2000, Frey 2000). In many respects current approaches take part in a general shift within the planning system from physical land use planning to strategic planning.

Most remarkable is the renaissance of strategic planning with regard to European metropolises. Over the past years, for various reasons many cities have developed strategic long term concepts to design their future. One reason is the EU urban policy. In 1998, the European Commission called for improved urban governance mechanisms and increased participation of stakeholders and citizens (EU 1998). Urban governance shall be improved by better vertical integration of activities of different levels of government and better horizontal integration within and between various organisations at the local and regional level. To develop shared strategic goals and to meet new demands for collective action in urban areas the European Commission supports innovative urban development strategies as ‘Innovative Actions’ in the previous and the current programming period of the Structural Funds. For instance, strategic plans for Berlin, London and Vienna were funded.

In addition, several other European metropolises mapped out strategic spatial plans for their territory. In 1998, initiated by the City of Lyon, 13 metropolises set up a working group ‘European Cities in the Making’ under the framework of the Eurocities network. It aims to exchange experiences and to elaborate an improved methodology on metropolitan development strategies.
The question is, whether these concepts are more than just a reissue of the comprehensive development plans of the 1970’s. According to Brake (2000: 284) the different concepts show the following characteristics in common:

- all concepts indicate an atmosphere of awakening and assume the necessity of an urban repositioning,
- all concepts show a clear goal orientation (in the form of a vision or a ‘Leitbild’),
- all concepts scale back the metropolitan complexity to measure proposals to ensure implementation,
- but rarely the description of these measures is detailed in terms of required resources, actors and milestones.

Additionally all this new approaches take the idea of sustainability as the determining principle and basic message. Representative for this purpose is the ‘Three E’s Approach’ (cf. Figure 1), first applied by the Local Futures Group in the London Study: a competitive economy, a sustainable environment and equity with social cohesion form the general framework for the policy strategy. Due to the fact, that the debate on sustainability was substantially stimulated by the United Nations Conference on Environment and Development in Rio de Janeiro in 1992, this aspect is an important innovation in strategic planning in comparison to the comprehensive development plans of the 1970’s.

Figure 1: The E³ Model of Sustainable Regional Economic Development
(Source: Local Futures Group, 1998)

What makes the recent concepts a new type of strategic plans is aside from that on the one hand the close linkage between vision and action and on the other hand it is the general attempt to enhance the metropolitan capacity to act and to build up the urban system as a learning organisation (Brake 2000: 285). In this sense such concepts are just a step in a broad social process. New planning techniques shall provide tools for the cities to limit threats, to take advantage of opportunities, to adjust themselves to the changing socio-economic dynamics, and to respond to issues proactively, rather than reactively. But the principal function to provide orientation for the local and regional actors, and to empower and motivate key stakeholders, requires a continuous social plan-making process.
Therefore it is more than just a formal output but a decision framework or, as Healey put it, strategic planning is “a social process through which a range of people in diverse institutional relations and positions come together to design a plan-making process and develop contents and strategies for the management of spatial change. This process generates not merely formal outputs in terms of policy and project proposals, but a decision framework that may influence relevant parties in their future investment and regulatory activities. It may also generate ways of understanding, ways of building agreement, of organizing and of mobilizing to influence in political arenas.” (Healey et al. 1997: 5)

This general definition points out that strategic planning is not per se new. It offers a wide scope of interpretation. In fact, there are many different types of strategic planning. Figure 2 illustrates this perception with reference to regional strategic planning approaches in Germany. There was a variegated conglomerate of innovative approaches in this field in the 1990’s: regional management, regional operational programs, regional development concepts, regional innovation networks, regional agendas 21, and regional park systems, just to name some of them.

To structure these approaches one could establish two criteria. On the one hand the strategic planning approaches follow either a more rational or a more adaptive comprehension of strategy. Whereas the latter advises an incrementalistic learning approach with gradual alignments, the rationalistic point of view suggests a conscious linear programming in a systematic planning approach including a SWOT analysis. On the other hand strategic planning approaches could be differentiated in more participative or more promotor-based approaches (according to the ‘promotor model’ developed by Witte 1973).
The two criteria span a tetragon with four varying accessions on strategic planning (Figure 2). On the top an expert-based rational ‘Strategic Project Management’ represents the more conventional approaches. Vis-à-vis the ‘Collaborative Planning’ approach (Healey 1997b) merges participative and adaptive elements. These two extremes are extensively discussed in academic planning literature. What is often overlooked is that there are two more approaches: a rational but participative ‘Project Oriented Networking’ and adaptive but promotor-based ‘Strategic Initiatives’. However, it must be said that in reality we practically always find a mixture of these four different types.

In the following recent strategic planning processes in a German federal competition are epitomised. As adaptive and participative strategic planning processes they represent the ‘Collaborative Planning’ type mentioned above.

2. Regional Sustainable Development in Germany

2.1. Agenda 21 and its perception in Germany

The UN-‘Brundtland Report’ “Our common future” from 1987 stood at the beginning of the rise of the notion of sustainable development over the past years. The basic intention of the concept was to satisfy the needs of today’s generation, without taking this possibility off the future generations.

The Earth Summit, held in Rio de Janeiro in 1992, opened up a broad international dialogue on sustainable development at the global level. At this UN conference for environment and development (UNCED) it was decided to set in motion a global action plan named ‘Agenda 21’. The final paper of the Rio conference maps out three ‘columns’ of sustainability: sustainable development is here defined as a form of development that addresses economic, social and ecological concerns and brings them together on an equal footing. In Chapter 28 of this agenda for the 21st century, local authorities are urged to enter into dialogue with their citizens and to actively take part in the drawing up of local agendas and their implementation until 1996.

Nowadays the concept of sustainable development is embraced, at least nominally, by almost all states of the world. 178 signatory states agreed to elaborate and implement national strategies for sustainable development.

In comparison with the international adaptation of the Agenda 21 – especially in Europe – Germany showed a slow reaction on the local level. In 1996 only 0.1% of the 14,000 municipalities in Germany could refer to a council decision to establish a local agenda 21. Since then, the situation has improved, but still, not more than 16% of the municipalities engage in creating a local agenda.

However, on a national level sustainable development was implemented as a constitutional goal in 1994, and as a supreme goal of spatial planning in 1998. In 2000 the German government established a ‘Green Cabinet’ and an independent ‘Council for Sustainable Development’. A national strategy for sustainable development titled ‘Perspectives for Germany’ was elaborated and finally presented on the Rio +10 Earth Summit on Sustainable Development in Johannesburg in September 2001 (Federal Government of Germany 2001).

The Agenda 21 and the German national strategy stress the importance of the international or global level on the one hand and the municipal or local level on the other hand. Not much emphasis is given to the regional level, although the idea of sustainable development demands initiatives on every scope. A significant exception is the federal competition ‘Regions of the
Future’ (1997 – 2000), which can be understood as a practically oriented project of the Agenda 21.

2.2. ‘Regions of the Future’ – Competition and Demonstration Project

In September 1997 the German Federal Ministry for Regional Planning, Building and Urban Development (now: Federal Ministry of Transport, Construction and Housing) announced this competition (Adam / Wiechmann 1999, Wiechmann 2000). It left the territorial boundary and organisational constitution up to the participating regions. Main goals were the building up of self-supporting structures for sustainable development, and reciprocal learning within and between the regions. Special emphasis was given to the dialog and co-operation processes between the representatives of the residents and the interest groups.

In May 1998, 26 regions were selected out of 87 applications by an independent jury decision and awarded the rating ‘Region of the Future’ (see Figure 3). The four main criteria of assessment were:

- Many innovative, complementary strategies and projects were implemented in the region.
- There was willingness for dialogue and co-operation at the regional level.
- The region was defined by a common problem and potential.
- The region had started down the path to sustainable spatial development.

Apart from the ‘honour’, the region won only the offer of professional advice but no funds. Hence, the main incentive for the participants was the image benefit by means of national publicity.
In the following months these regions had to work out a regional agenda. Main tasks of the participating regions were

- to set the course for a sustainable regional development (primarily through regional planning),
- to establish a balance between social and economic demands and ecological functions of a space,
- to present projects (‘best practices’) for a sustainable development in a short-term or a medium-term period,
- to build up self-supporting structures for a sustainable regional development,
- and to emphasise the dialog and co-operation processes.

The variety of projects within the competition is demonstrated by the following project examples. A detailed project database is provided on the internet homepage of the competition <www.zukunftsregionen.de>.

- **Derelict Site Rehabilitation in the ‘Chemnitz/Zwickau Economic Region’, Saxony; run by: Chemnitzer Land District Administrator’s Office**

  The ‘Chemnitz/Zwickau Economic Region’ in Saxony is, like most of Central and Eastern Europe, characterised by industrial decline. This structural crisis has given rise to a huge number of often contaminated derelict sites. The first step towards rehabilitating these areas involved drawing up a new regional derelict-site register containing spatial information about buildings and premises, the current need for clarification and action as well as recommendations regarding specific forms of action. Selected projects involved demonstrating the degree to which sustainability and the unity of ecological, economical and social demands were enabled.

- **‘HafenCity Hamburg’ - Hamburg Docklands; run by: City of Hamburg**

  The City of Hamburg drew up a ‘HafenCity’ master plan for areas of the docks situated close to the city centre (including a 390-acre stretch of water). The restructuring of this area would generate space for an extension of the inner city by means of a metropolitan mix of residential, commercial, cultural and entertainment sites. The attractive location by the river Elbe provides an opportunity to develop a lively, distinctive maritime quarter with feed-on effects for the entire city and metropolitan region. As a first step in a co-operative development process, an international ‘HafenCity Hamburg’ urban development competition was launched. The ‘HafenCity Hamburg’ has a time perspective of 20 years or longer and is by far the biggest project within the competition ‘Regions of the Future’.


  By supporting and developing a sustainable consumer attitude, the project focused on implementing an existing ‘Local Agenda 21’ scheme in Elmshorn. For 6 months, private households have tested the extent to which it is possible to live day-to-day life in a sustainable, i.e. economically, socially and environmentally sound way. The following areas of action have been covered: waste, mobility, nutrition, energy, water and clothing. The crucial point for the initiators of the project was not to dictate how participants should act but to make households become aware of their patterns of behaviour. They themselves decided what they wanted to change in their everyday lives and they set their own targets.
Landschaftspark Bodensee-Oberschwaben - Landscape Park Lake Constanz- Upper Swabia; run by Regionalverband Bodensee-Oberschwaben

The area of co-operation ‘Bodensee-Oberschwaben’, on the north shores of the Lake Constanza, had within the framework of the federal competition seven projects on the agenda. The key project was the landscape park ‘Bodensee-Oberschwaben’. It was designed as an open space-concept for the agglomeration between and including Ravensburg and Friedrichshafen, in which the existing assets of the cultural landscape should be experienced by a population looking for recreation. Measures and projects, serving this intention, are being defined by a participation process including all relevant regional stakeholders.

The final presentation and awarding of the results took place on the world conference URBAN 2000 in Berlin. There the regions received different certificates based on the final jury decision. 8 regions won first prizes, 13 regions won second prizes and 4 regions won third prizes.

Since then, the efforts in the process of sustainable regional development have continued in the framework of a network ‘Regions of the Future’ as a federal ‘Demonstration Project of Spatial Planning’ (‘Modellvorhaben der Raumordnung’). This federal programme, run by the Federal Office for Building and Regional Planning, has aimed since its creation in 1992 at promoting a more action- and project-oriented planning approach based on stakeholder cooperation and the strengthening of the regional level.

2.3. Effects and outcomes of the regional agendas 21

The competition ‘Regions of the Future’ aimed to set regional sustainable development in motion by creating a competitive situation between the regions and by broadening the dialogue between them. In the pursuit of these aims, the competition echoed two recent trends: First, it sought to use ‘co-operative competition’ as a catalyst for innovative, wide-ranging development. Comparable concepts have been in evidence in other political fields in Germany over the past decade, examples being the ‘BioRegio’ and ‘InnoRegio’ competitions sponsored by the Federal German Ministry for Research and Education (Wiechmann 2002). In all cases the principal idea was the same, namely the interlinking of competition and cooperation in such a way as to develop unexploited regional potential. At the same time, the poor situation of public budgets had to be taken into account. Competitions were not geared towards blanket sponsorship but operate selectively.

The second trend drawn upon by the ‘Regions of the Future’ initiative is the dialogue-driven ‘bottom-up approach’. Communication processes were of pivotal importance in this competition. In this respect, it reflects a new understanding of planning. Given the diminishing ability of the State to regulate with the aid of statutes and rules and given also the evident lack of acceptance of ‘government writ large’, planning has to become more communicative (Healey 1997a). Today, co-ordination and convenorship are central tasks in open planning processes. This is not a trend confined to Germany (Wiechmann 1998). One encounters the same aspirations in, for instance, the ‘Vademecum’ to which the European Commission has recourse when drawing up Regional Operational Programmes for the Structural Funds or Community Initiatives.

Such processes of communication and dialogue are particularly vital to comprehensive and sustainable development. The competition looks into the regional entity as an area of cooperation, positing that ‘win-win strategies’ are set to replace ‘parish-pump politics’. Simultaneously, the regional scope for action increases.
The competition and the subsequent demonstration project were accompanied by research activity whose aim it was, through analysis of the processes in the 25 regional networks, to optimize and consolidate the regional agenda 21 processes. The co-operation processes and outcomes in the 25 networks were studied by the Institute of Ecological and Regional Development (IOER) in Dresden. The findings from the accompanying research are being published shortly in full. Of particular relevance to the questions at issue here are the following outcomes of the competition:

- There were immense differences in the constitution, the spectrum of involved actors and the detectable effects between the regions.
- There was a strong mobilising effect, but the majority of implemented projects were planned before.
- Projects tended to short weight social aspects.
- After the competition some initiatives acquired subsidies, some continued with new projects, some closed.
- The idea of sustainability is now less important than the idea of regional networking and reciprocal learning.
- So far most attempts to establish monitoring tools failed.

With hindsight the outcomes of the ‘Regions of the Future’ competition are subject of controversial debates. On the one hand sceptics emphasise, that the ‘weak’ approach of a temporary, non-binding competition without substantial subsidies was inadequate to solve ‘hard’ conflicts in fields like transportation or conservation of open space. On the other hand advocates of the initiative argue that the sheer enormity of the mobilisation effect of the announcement and the obvious function of the competition as a catalyst for regional development give reason to look upon the initiative favourably.

There is no doubt that the competition ‘Regions of the Future’ broke new ground. In line with other strategic planning and development approaches on the regional level - like regional management initiatives, regional development concepts, regional operational programs, etc. - it represents a new planning culture. Beyond the competition the question comes up, if regional agenda 21 processes, together with other experimental approaches, have the capacity to become a powerful tool for structural change? What are the key elements of innovative governance approaches to be successful in this respect?

3. Assessing the institutional capacity of regional agendas: the ‘Performance principle’

The federal competition ‘Regions of the Future’ fits in the overall framework of regional strategic planning (Fig. 2). Exemplarily – at least in the German context – it stands for adaptive and participative ‘Collaborative Planning Approaches’. In most cases it is accompanied and sometimes threatened by competing regional strategies within the same region, e.g. borne by regional development agencies or regional conferences (Adam / Wiechmann 1999). Although the occurrence of said shortcomings raises doubts that the federal initiative ‘Regions of the Future’ has on its own the capacity to have a lasting effect on the German planning system, it is in many respects part of a general shift within the German planning system from physical land use planning to strategic regional planning.
The question is, whether regional agenda 21 processes are a vehicle for structural change within the regional planning system in Germany or not. To answer this question it is necessary to build up on available approaches on assessing strategic regional planning.

Traditional planning in Germany used to assume that the capacity to act predominantly builds upon the ‘plan’ as the main instrument. Once adopted, the plan had to be implemented to be considered successful. In reality this model never worked. The addressees of the plans had too many options to avoid the plan (Fürst 1996). Undoubtedly it is not enough to focus on plan documents. “[Strategic] Plans as such are easily forgotten, or used merely as reference documents on some issues. What is remembered is what people learned - new perceptions, insights, facts, images - as they engaged in the policy articulation process” (Healey 2002: 21).

Hence, the evaluation of strategic plans cannot simply be based on a conformance between the determinations of a plan and its final outcomes. As Faludi and Korthals Altes (1994) point out, strategic plans are frameworks for actions and need to be analyzed for their performance in helping with subsequent decisions. Performance refers to whether or not the planning document helps to clarify choices and to define decision situations. “We conclude: the purpose of planning is to improve the quality of decisions in terms of whether their justifications take account of the wider field of choice. Planning is simple a prior investment so that decision-makers can take a broader view, that they are more aware of what it is they are doing” (Faludi / Korthals Altes 1994: 408).

In addition to the mentioned distinction between the ‘conformance-principle’ and the ‘performance-principle’ in evaluating planning Faludi also distinguishes plan implementation from plan application. “Rather than giving shape to spatial development, application is the shaping of the minds of the actors in spatial development” (Faludi 2001: 663). Strategic documents should therefore first of all operate as the actor’s frame of reference.

In Germany, like in many other countries, ‘regional’ means at first an ‘in-between level’ between a strong state level and a more or less strong, at least formal, municipal level. For what reason ever there was no willingness within the administrative system to establish strong regions. Regional initiatives are often informal and cannot lay claim to a strong role in the political arena. But how far do such regional governance initiatives develop effectively a ‘capacity to act’? Do they really have the capacity to carry power? How can we measure their performance?

Faludi and Korthals Altes (1994: 414) suggest looking at those decisions implying the strongest commitments on which a strategic plan should have had a bearing. The decisive question then is: has the strategic plan helped in shaping the codes used in justifying subsequent decisions, and has this improved the quality of the justifications?

According to Healey (2002: 15), building regional capacity involves three tasks:

- Mobilisation: to generate new policy agendas, new alliances
- Institutional Design: to create new arenas, rules of engagement
- Routinization / Mainstreaming: to embed the new agendas and arenas in the flow of governance activity

Healey (2002: 16) then defines two criteria to assess the institutional capacity of new regional governance initiatives: first, do these initiatives attract sufficient legitimacy, authority and capability in relation to other already existing governance institutions to affect the flow of resource allocation, and secondly, do they establish innovative policy agendas and new modes of governance practice.
Turning back to the German federal competition ‘Regions of the Future’: What are the main pro arguments backing the assumption that this initiative has had the power for a structural change of the regional planning system in Germany? Yet, - as in many other cases of regional development in Germany - there has been no well-founded evaluation of the initiative. However, many aspects, that have to be considered, are at hand.

Pro:

• The competition ‘Regions of the Future’ acted as a catalyst of regional development
• There was a substantial mobilisation of capital, institutions and actors
• The competition looked into the regional entity as an area of co-operation and dialogue
• Actor constellations within the regions have changed during the course of the competition
• New issues arose on the regional agenda (in general: from physical land use planning to strategic planning)
• As a ‘co-operative’ competition ‘Regions of the Future’ served as a source of innovations

What is to be said against it? What militates against the assumption, that regional agenda 21 processes are a vehicle for a structural change in the German planning system?

Contra:

• The Competition was designed as an informal, non-binding instrument
• It was provided with nearly no funds
• It had a poor conflict resolution capacity
• There was a faint response by planners in many regions; mainly because of the poor standing of planners in many regions
• The competition remained a temporary event
• There was a poor monitoring of the implementation / application

What is the bottom line? On the one hand the contra-arguments make it quite obvious that the competition on its own wouldn’t change the regional governance modes in Germany substantially. Mainstream government carries as usual. On the other hand the competition is part of the renaissance of strategic planning on the regional ‘in-between level’, as said before. Together with other innovative approaches, like regional management or regional innovation networks, regional agendas are on the way to fulfil the tasks Healey defined for building up regional capacity: These innovative initiatives definitely mobilised by generating new policy agendas and new alliances. They created new arenas and rules of engagement.

However, it is still a long way to embed the new agendas and arenas in the flow of governance activity. Routinization and mainstreaming by affecting the flow of resource allocation seems to be the most challenging task. It is too early for a final appraisal. More research is needed to assess the merits and shortcomings of new modes of regional governance and strategic planning, like the regional agenda 21 initiatives within the network ‘Regions of the Future’. So far, there is in particular not enough insight into the relation of strategic regional plans and their subsequent decisions. Practitioners as well as researchers should draw their attention to this crucial point. Instead of simply asking whether a plan (e.g.
a regional agenda 21) was implemented or not, it is more instructive to analyse the affected decisions and ask, what people have learned from the plan. Admittedly, this implies a new understanding of planning as a communicative social process aiming at the improvement of subsequent decisions.

References


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