

URBAN MANAGEMENT SERIES FOR SOUTHERN SUDAN

Tools for Strengthening Leadership and Governance



Volume 2:

Leadership for Urban Management



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Urban Management Series for Southern Sudan

FORWARD



Joan Clos

**Executive Director, UN-
HABITAT**

PREFACE

Welcome to the Urban Management Series for Southern Sudan. The Series is intended to give direction and guidance on a wide range of urban management topics, but without saying exactly what to do – so it is not a manual. It aims to point Urban Managers in the right direction, by describing the factors and issues that need to be considered, and suggesting possible solutions in line with basic principles.

In this manner it provides a consistent background for all Urban Managers to approach their work. But it is fundamental that each reader decides what initiatives and actions are appropriate given the local circumstances and conditions, rather than just following a set formula.

How to use the Series

This is not a document that needs to be read from start to finish – it is to be used like a reference book or encyclopaedia. It is fine to dip into it to read sections that are of interest. As the reader becomes more familiar with the structure and content, s/he will discover new topics of interest. And as topics arise in work, s/he can search out the relevant sections, and discover new areas of interest.

It is a document that is to be kept close at hand, on the desk or an open shelf in the office -not locked away in a drawer or cupboard. Copies should also be distributed widely among professional and technical staff, and not restricted only to senior staff.

Regular Updating

These volumes have been prepared in 2011 – but the situation in Southern Sudan is constantly changing. It follows that they will need to be reviewed regularly, and updated to reflect actual current urban management priorities as well as changing political, institutional and social circumstances.

Overview

This volume is one of a three-volume series produced by UNHABITAT for use by urban managers in Southern Sudan.

Current titles of this series, at the time of publication, include:

Volume 1: Urban Management Guidelines

Volume 2: Leadership for Urban Management

Volume 3: Enhancing Training in Land, Housing and Town Planning

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Chapter 1: Introduction to Urban Management Roles and Competencies

Leadership and learning are indispensable to each other.

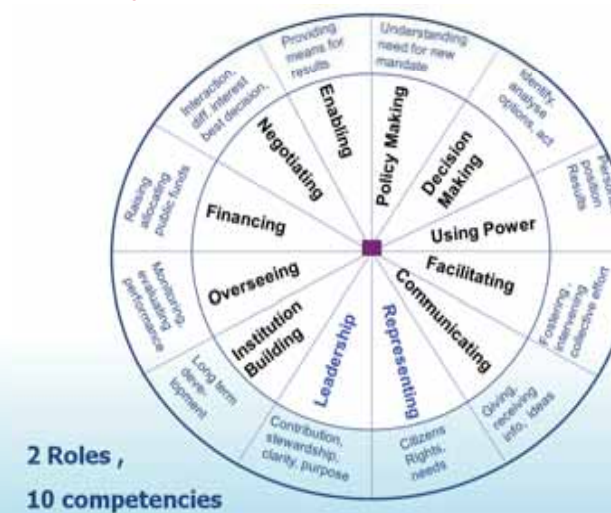
John F. Kennedy

Welcome to Urban Management Series section on Leadership Competencies, adopted from The Local Elected Leadership (LEL) Series. It is intended to increase leadership knowledge and skills, and to improve the performance of all urban managers. In addition, trainers can use this section to discover new ways to carry out the many roles and responsibilities associated with urban management. The section covers the following 12 roles and competencies that can be used to enhance Urban Management Leadership.

The section includes

- 2 Roles and 10 Competencies
- Two additional roles – representation and leadership
- principles of good urban governance, gender, as premise
- Recognition of the role of trainer and

Figure 1.1: Leadership Roles and Competencies



training manager

Expected Outcomes

- Organisation Behavioural change
- Performance Improvement
- Individual
- Organisation
- Impact on Citizens

Learning Objectives

- Increased knowledge and understanding
 - New or improved skills, either technical or relational
 - New or altered attitudes and values;
 - Creative acts
- Impart knowledge, skills and attitudes required for better:**
- civic leadership,
 - positive interaction with their central government agencies,
 - local authority staff
 - NGOs/CBOs
 - Sustainable growth and management within a good governance context.



Chapter 2: THE REPRESENTATION ROLE AND COMPETENCY

Introduction

If particular care and attention is not paid to the ladies we are determined to foment a rebellion, and will not hold ourselves bound by any laws in which we have no voice, or representation.

Abigail Adams, in a letter to her husband John Adams, 2nd President of the United States of America

(March 31, 1776)

Abigail Adams was a feisty co-conspirator with her husband and others in the American colonies' fight for independence from the British in the latter half of the 18th century. Her husband, with a handful of other remarkable men of their time, was in Philadelphia drafting a declaration of independence.

In spite of her fervent plea on behalf of women at this critical time, women in the United States did not get the right to vote until the early part of the twentieth century.

In that same letter she said, "Do not put unlimited power into the hands of the husbands. Remember all men would be tyrants if they could." A rather tough but prophetic statement, when we think about it. She could have been speaking for most women around the world when it comes to issues of representation. As you read this chapter, consider how women are represented both within your local government's political process and by your governing process. By the way, John Adams's career didn't suffer because his wife was a woman's rights

activist. He became the second president of the newly constituted United States.

A reflective opportunity

Better yet, stop for a moment and jot down some reflections about the state of representation in your local government. How representative is your elected body of the overall population of your local government in terms of gender, race, ethnicity, age, disability, economic status, geography, and other key considerations?

Think about the various boards, commissions and other citizen bodies your elected council has created over the years to help you govern more effectively. How representative are they of various segments of your community? In the space below, record your thoughts about the under-representation that may exist on your elected body, and the official boards and commissions of citizens that serve your local government.

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Representation is not just the presence of individuals who represent various sub-populations within your local government jurisdiction. Representation is also a measure of how well those various sub-populations

are represented in your elected body's decisions; the allocation of public resources; programmes and services delivered by your government; the ranks of your government's employees; and other ways you can measure representation performance. Unfortunately, representation as the underlying operating principle and expectation associated with local self governance is too often damaged by special interests, personal orientations to the world around us, and, on occasion, personal and collective greed.

In most democratically elected governments, there are legal mechanisms, such as periodic elections, legal recourse when there is blatant misrepresentation, and various kinds of political pressures to foster and assure representation of all the citizens.

The art of leadership is to act as a representative of a much larger constituency than those who voted for you.

Sir Peter Parker, Former Chairman of British Rail

What do we mean by representation?

As delegates, elected representatives try to express as clearly as possible the opinions of their constituents and seek to be guided by them in making decisions. As trustees, elected representatives act in the interests of the community as a whole and use their judgment to do what they think is best for their constituents, whether the constituents are in agreement or not.

Representative and participatory democracy

You will, on occasion, hear the term "participatory democracy" as well as other terms used to define the governing process. Representative democracy is a form of democracy wherein voters choose

representatives to act in their interests. It also assumes that these representatives are given enough authority to exercise initiative in the face of changing circumstances.

Representation in action

Representation involves a number of specific kinds of activities, and they in turn help determine the approaches elected officials take toward this role responsibility.

1. The first activity is the development and enforcement of local government policies. For example, an elected official may take a strong delegate stand on economic development, favouring certain large business constituents while ignoring the concerns of environmentalists.

2. The second representation activity involves the allocation of public goods and services. For example, public contracts might be awarded to certain firms or groups within your community based on their support of certain elected officials. In these cases, the elected officials are most likely acting in the role of delegate.

3. Representation often involves intervening in the local governing system to assist individuals or groups in their interactions with local government staff and service deliverers.

4. Finally, representation involves continuous dialogue with all constituents of your community. These may include special interest groups, non-governmental organisations (NGOs), community based organisations, those parts of your community that lack the resources to mobilise their collective voices so they can be heard, religious and ethnic groups, your political party affiliations if they exist, private sector interests and resources, and, of course, the

individual man and woman.

Carrying out the representation role and responsibilities involves all the key competencies in this section. Furthermore, all of the competencies in this section are designed to help urban leaders to carry out the two most important roles: representation and leadership.

Representation is not a one-way process

You can't clap with one hand only.

Chinese proverb

Representation suggests a one-way flow of information, services, goods, and whatever else the people's representatives in government can offer their diverse communities. While this may be the case in some authoritarian forms of government, it's not the case within a well functioning, local self-governance process. The local government that works best is one that engages in a constant flow of information, ideas, and resources in all directions, not just from the governing elite to the governed masses.

In order to better understand the importance and vitality of representation built on partnerships between local elected officials, their operating organisations, and their constituent.

As we look at these principles from the perspective of representation, it is helpful to keep two important factors in mind.

1. The effectiveness of elected men and women in fulfilling the representation role and responsibilities is largely dependent on the will and capacity of the local government organisation and staff to respond to constituent needs and interests.

2. Constituents are a highly diversified and eclectic mix of individuals and institutions.

Among them are ordinary people who are often unorganised and therefore under-represented; special interest groups that cut across the spectrum of private enterprises, religious and ethnic institutions, and non-governmental and community-based organisations; and other public institutions within a political jurisdiction and beyond.

Good governance and representation

We make the path by walking it.

Motto of the Mondragon Cooperative in Spain

Let's review some of the accepted principles of good governance from the perspective of representation.

Civic engagement, citizenship, and participation:

We are talking about the active involvement of individuals; clusters of citizens; other public institutions; private, non-governmental and community-based organisations; and coalitions of willing partners in the governing process.

Respect for the law or the rule of law.

Representation that ignores this principle is perhaps the biggest threat to the integrity of your local government and its long-term vitality. We are talking about corruption from bribing key elected and appointed officials to "greasing the hand" of the building inspector. Corruption undermines the principle and practice of elected representation more than any other factor. When representation goes to the highest briber, democratic self-governance no longer exists. Representation is dependent on governing by the rule of law.

Equity and inclusiveness:

As a local elected official, you need to

ask yourself and your colleagues these questions on a regular basis:

- Are we doing everything we can to assure that all citizens, rich and poor are being treated fairly and equally?
- Are we in any way discriminating against any segment of our community in the policies we proclaim and the programmes and services we deliver?
- Does every citizen have full and unfettered access to the decision-making processes of our local government?

Transparency and accountability:

Representation thrives on transparency and accountability provided these values and strategies flow both ways in citizen-elected leadership relationships.

Effectiveness and efficiency:

- Effectiveness involves “doing the right things” as a local government, and doing the right things is central to representation. For example, if you have street children in your community and you have developed programmes to assure their safety, alternative educational opportunities, and reasonable well-being, your local government is being effective.
- Efficiency involves “doing things right.” If your local government has sub-contracted some of these services out to a local NGO that specialises in working with children, and the costs are less, and the level of services better than your local government could provide through its own staff, then your local government is being efficient.

One other good governance principle we haven't mentioned is something the UN-

HABITAT Global Campaign on Urban Governance calls Subsidiarity. In operational terms, it means the devolution of authority and resources to the closest appropriate level consistent with efficiency and cost-effective delivery of services. From a management point of view, subsidiarity is delegation and a whole lot easier to spell and explain.

Subsidiarity and the leadership role of representation.

One of the most effective ways to declare the “representation” commitment is to equip the local government so it can function at the closest appropriate level of operation possible to all your citizens. Operationally, this translates into mechanisms like neighbourhood policing, localised social service programmes such as those that address violence against women and girls, and something called neighbourhood city halls.

From a governance perspective, it is setting in motion processes like participatory budgeting and planning. The city of Porto Alegre, Brazil, for example, involves more than 45,000 citizens in the development of its annual budget.

Representation is not limited to elected officials

He who would do great things should not attempt them all alone.

Seneca, Roman statesman

Representation truths and consequences

If you let me set the constraints, I'll let you make the decisions.

Herbert Simon, Contemporary American Management Theoretician

Many decades ago there was a popular television show in the United States called

Truth or Consequences. It came to mind as we were struggling with this difficult subject and how best to explore its many challenges from your perspective. Responsible representation, as an elected official, is not a matter of truth or consequences, but truths and consequences. Let's see if we can explain this riddle of terms.

The truths:

- Many competing interests are represented: economic, social, religious, ethnic, gender and age related, and geographically located, to name some of the more important and interesting variables.
- These competing interests often find it difficult to see the big picture.
- There are not enough public resources to meet all the needs and interests of all citizens. Elected representatives must therefore decide how to allocate these scarce resources among the many competing interests.

The consequences:

- Whatever the decisions are, there will be constituents who will be unhappy.
- Many constituents will believe they are either underrepresented by the decisions or not represented at all.
- Decisions by representatives may need to take into consideration citizens you are not represented, or citizens of a community. For example, there may be the need for inter-jurisdictional decisions on such issues as water, traffic flow, or environmental protection.
- Decisions may require balancing short-term needs with long-term consequences, and relative costs with benefits to be realised.

As you can see, representation is not only a role and responsibility shared with many other individuals, groups, and institutions; it is also a role and responsibility that embodies many truths and consequences.

Strategies and tactics to enhance representation

All of the competencies covered in this Volume encompass representation strategies and tactics. Communicating, facilitating, enabling, financing, negotiating, overseeing, institution building, financing, using your power, and making quality decisions all have direct links to representation. While we will provide more in-depth ideas and examples about how to strengthen and use each of these competencies in the competency sections, we want to end this discussion with some ideas on how to exercise representation responsibilities.

Probably your best representation strategies involve building partnerships or working at the grassroots level to deliver public programmes and services. Partnerships can be almost as diverse as your imagination allows. They can be with other local government units, private sector firms, non-governmental and community-based organisations, schools, religious institutions, combinations of these organised entities, or collections of like-minded citizens

Partnerships

Partnerships come in many configurations as we just mentioned. In an in-depth look at over fifty successful community partnerships, researchers David Chrislip and Carl Larson identified these basic conditions that contributed to their successes.

1. Create broad-based involvement:

Reach into every segment of the community you expect to serve as well as those who will

be affected by decision making. Don't wait until you are ready for implementation to get them involved.

2. Get to know each other and do some social contracting:

Discuss each others interests, what they want to achieve, what personal resources they bring to the new partnership, their values, hopes, and, yes, concerns. It is important to establish a level of trust before delving into the midst of the new challenge.

3. Create a credible, open process:

This is where the good governance principles of openness and transparency come into play. By getting people from all aspects of the community involved, you send a strong message that your process is open and that it will be credible. Backroom political deal-making has no place in this kind of process.

4. Promote visible support from acknowledged leaders in the community:

These kinds of community-based ventures rarely start out with their leadership already identified. In fact, that is often a disadvantage in forging partnerships at the grassroots level of governance. Leaders who will be acknowledged rightfully by those they serve will evolve from the process. The process establishes a new level of representation.

5. Gain the support of established authorities:

This means, in most cases, the local government's elected leadership. Remember, we are talking about grassroots ventures. While you may be instrumental in planting the seeds of contemplation, we hope that these initiatives grow out of the community.

Remember, representation goes in all directions, not just from the elected officials down to the masses. While this kind of collaborative-partnering venture is best initiated from the ground up, this doesn't deny the involvement of elected bodies.

Before leaving the representation strategy of promoting partnerships, we want to call your attention to a valuable contribution to this discussion by the authors of *A Sourcebook for Municipal Capacity Building in Public-Private Partnerships*. While the authors are talking about large-scale partnerships, many of the principles identified as crucial to success are important to all kinds of partnerships, big and small. They include:

- Transparency: Keeping stakeholders informed and involved, curtailing corruption, and ensuring transparency.
- Accountability: Can you do what you said you would do?
- Legitimacy and legality: The rule of law even reaches down to community-based partnerships.
- Stakeholder participation: Know your stakeholders and keep them involved.
- Equity and inclusiveness: Does your partnership treat everyone equally? Is your process inclusive of all who can be involved who will contribute and benefit from your partnership?
- Empowerment: Will your partnership empower poor people, the disenfranchised, and the marginalized members of your community?

Representation really works when citizens

can see it, feel its presence, and get directly involved in making it happen. Representation, as we said in the beginning, is probably the most difficult, challenging and important role for an elected official.

2: The Communicating Competency

Introduction

Nature has given us one tongue, but two ears, that we may hear from others

Epictetus, Roman Philosopher

In Chapter 2, we said representation is the elected men and women's most important role. While we don't want to be quite that dogmatic about which of the ten competencies is most important, we believe communicating is among the elected official's most important skills. Communicating is also at the heart of effective and responsible representation.

Why communicating competencies are so important

David Carnevale in his book *Trustworthy Government* defines communication as "an attempt to reduce uncertainty and ambiguity in a situation through the exchange of information and knowledge." He goes on to say that trust develops hand-in-hand with shared and truthful communication. And, shared information is vital to performance.

Barriers to effective communication

Communications is an integral part of fulfilling the good governance mandate of elected officials. Unfortunately, there are some potential barriers to contend with that can take the edge off communicating competencies, such as:

- There may be different goals, values, and views.
- There may be difference in experience

and failure to recognize these differences when communicating.

- One's status may intimidate those you are communicating with or even alienate them if they resent the authority you represent.

- Even the physical set-up where the communication takes place may be a barrier to communicating with understanding. For example, the formal layout of many formal governing council chambers can create both a physical and psychological barrier between elected officials and local citizens.

A reflective opportunity

I would walk twenty miles to listen to my worst enemy if I could learn something.

Gottfried Leibniz, 17th Century
Mathematician
The interpersonal dimension of communicating

We want to focus on those communicating concepts and strategies that are associated with further developing your personal competencies as a communicator. Most fall into the interpersonal or inter-group categories of communication techniques,

We will start with what many believe to be the most important interpersonal communicating competency, active listening. This will be followed by concepts and techniques in giving and receiving feedback which are closely associated with listening skills; the art of asking questions; how to say "no" and not suffer the consequences of disappointing others; and something called the ladder of inference.

Give every man thine ear, but few thy voice.

William Shakespeare, 16th Century English Poet

Active listening

It's through listening that you hear and understand what your constituents want or don't want, what they are happy or angry about, and why.

Listening actively is a powerful leadership and governance tool.

We're not certain where the term "active listening" originated, but it is widely used to describe a process of communication designed to optimize the meaning and clarity of what another person is saying.

The challenge is to work actively to hear as clearly as possible what is being said and to assure that what is being heard is what the other person is trying to say. In other words, active listening also involves reflecting back to the speaker assurances that what is being said is being heard. Before we talk about how to listen actively, let's look at why it's so easy not to hear what the other person is saying.

What barriers do you use?

Before hearing what the experts have to say about listening roadblocks, take a moment and list the three or four most important reasons why you don't always listen to what others are saying.

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2.
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3.
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4.
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The following descriptions identify barriers to effective listening.

- We're too busy thinking about other things. Sound familiar?
- We're distracted by some emotional word or phrase being used. Raise taxes!
- We disagree with what the other person is saying. So, we immediately switch our attention to figuring out what we will say in rebuttal. We suspect this is very common in those elected bodies where there are political divisions.
- We're listening for flaws in what the other person is saying. In some cultures our response to these flaws is known as "I gotcha."
- We want to express our own thoughts and views so we look for a way to intervene in the conversation as quickly as possible.
- We don't like the other man or woman for whatever reason. Prejudice steps into the conversation and effectively blocks what is being said.
- We assume that we won't understand so why listen. The city engineer is waxing poetically about some new complicated, scientific process to turn solid waste into building materials.
- We're just not interested. We're thinking, "That's the responsibility of the public health committee."
- There are too many outside distractions. The phone is ringing.

- Other people are talking. I'm late for an appointment.

Of all these barriers to communicating, prejudices might be the most difficult to overcome.

While there are many barriers that keep us from hearing what others are saying, there are also ways we can remove these barriers.

The needle knows what it sews and the thimble what it pushes.

Columbian proverb Verbal listening skills

Ways to overcome them. Listening barriers

Outside distractions

- Find someplace quiet
- Try to remove them
- Concentrate on what the other person is saying

Disagreeing with the other person for what ever reason

- Try to be open-minded
- Try not to judge the other person or what they are saying
- Try to understand why the other person has a different opinion than yours

Distracted by thinking about how to respond

Mind wandering off to other things

Responding to those emotional words that always turn you off

- Make mental summaries of what is being said
- Try to be attentive

- Make notes if it is important
- Be aware of those words or ideas that turn you off and work to neutralize your response to them.

These barriers are either constructed in our heads or by the environment. Except for some of the environmental factors, we must take responsibility for removing them if we want to be more effective listeners. Fortunately, there are some pro-active listening skills available to help in our efforts to be better listeners.

Verbal listening skills

Sounds like a contradiction, doesn't it? Nevertheless, there are some ways we can work with what the other person is saying to offer encouragement, clarify points, summarize, and generally help the person who is talking to know she is being listened to and heard. Here are some examples on verbal listening skills.

- Convey interest, what some might call empathy: "I like what you're saying."
- Encourage: "Yes, please tell me more."
- Help clarify: "Based on what you are saying, the situation is....."
- Reflect back or paraphrase what you hear: "If I understand you right, you are saying...."
- Pull key ideas out for more elaboration: "Let me see if I understand your key point which seems to be...."
- Respond to feelings: "You sound frustrated about...."
- Summarize: "Let's see if I can sum up what you just said."



First Day of Voting in Southern Sudan Referendum, 09 January 2011, Juba, Sudan, UN Photo/Tim McKulka

Tsushima Shuji, Japanese Author, From No Longer Human

The art and craft of dialogue

The final tool to put a capstone on your communicating competencies is dialogue, what William Isaacs calls the fire of conversation. You need to engage in a widely shared inquiry, a way of thinking and reflecting together that lifts you, your colleagues, and other key stakeholders above the fray so you can gain new insights and discover new solutions. This shared inquiry is called a dialogue.

The potential power of dialogue

The power of dialogue is best described by example. William Isaacs in his book *Dialogue and the Art of Thinking Together* describes a situation where sustained dialogue between two individuals produced phenomenal results for their country. President de Klerk of South Africa and Nelson Mandela met privately over a number of years while Mandela was still in prison. They were not meeting to negotiate Mandela's release or to

solve existing problems of that time. Rather they met to dialogue about how to create a shared future vision. The success that South Africa experienced in its peaceful transition to a full democratic society with equality for all is due in no small measure to these two men and their on-going dialogue about a new future for the country.

The process of dialogue is not for every situation although it can be an important communicating competency to add to your repertoire.

Daniel Yankelovich has spent more than four decades monitoring opinions and trends in local governments. Over time he came to value dialogue as a successful relationship building process that when conducted effectively, can lead to mutual understanding and respect. He has identified three distinct features that define successful dialogues.

These features are:

1. Equality and the absence of coercive influences:

All parties to the dialogue are treated as

equals and there is no coercion of any kind.

2. Listening with empathy:

Again we see the value of active listening.

Empathy, according to Yankelovich, is the ability to think someone else's thoughts and feel someone else's feelings. In the hypothetical case of holding a dialogue with the leaders of community that has resorted to violence, would you be able to appreciate the circumstances that drove them to using violence, and to understand their level of frustration in being ignored by other public leaders in the past.

3. Bringing assumptions out in the open:

Be open about your assumptions and suspend judgement.

In addition to these three guiding principles and strategies that form the foundation for successful dialogues, Yankelovich has observed other qualities that aid the process.

Err on the side of including those who disagree.

- Initiate dialogue through a gesture of empathy.
- Check to assure that the three criteria we have just mentioned are in place and working.
- Minimize mistrust by getting into the heart of why you decided to hold the dialogue.
- Separate the acts of dialogue and decision-making.
- Use specific experiences to discuss general issues.

- Get assumptions on the table and clarify them.
- Focus on conflicts in values, not people.
- Expose the old scripts that have destroyed trust to a reality check. In other words, look at the assumptions, values, and norms that have created the circumstances that make dialogue imperative.

Surveys: another way to communicate with the community

Most local governments do not use citizen surveys as a way of "listening" to those in the depth information about:

- (a) the quality of services the local government is providing;
- (b) reasons why local citizens may not like certain services or why they may not be using certain programmes or services;
- (c) factual information that may be needed to design new projects or alter on-going ones;
- (d) ways to help local citizens become more aware of programmes and services; and
- (e) assessing demand for new services.

While there are various types of surveys you can conduct (telephone, mailed questionnaires and interviews), the interview makes the most sense, particularly to reach people in economically disadvantaged neighbourhoods. (It is these parts of the community that often have the greatest difficulty being heard by those in "city hall.")

Chapter 3: THE FACILITATING COMPETENCY

Introduction

If you have one good idea, people will lend you twenty.

Marie van Ebner-Eschenbach

Roger Schwartz in *The Skilled Facilitator* says all kinds of groups can improve the way they work together by using facilitating skills. In its truest form, facilitating is a process where a person, who is acceptable to all the members of the group, substantively neutral and has no decision-making authority, intervenes to help the group improve the way it identifies and solves problems and makes decisions.³⁰ He goes on to say that facilitating can be divided into two types:

1. Basic facilitation: the facilitator helps a group work more effectively on a specific issue or problem, and the group remains dependent on the facilitator for future assistance.
2. Developmental facilitation: the facilitator helps the group work more effectively on a specific issue or problem and coaches them on how to provide their own facilitating skills to work on future issues and problems. This approach involves learning-by-doing. Group members learn facilitator skills so they can apply them to future group endeavours without the need for external assistance.

In this chapter we assume elected leaders will perform as developmental facilitators whenever it is appropriate. You will not only help groups be more effective when you are working with them but provide them with

the values and skills to work more effectively on their own. The competency of facilitating group effectiveness is at its best when it is passed on to others through learning-by-doing.

A boat doesn't go forward if everyone is rowing her own way.

Swahili proverb

Facilitating: A skill based on group process

Core values that guide effective facilitation

In each of these potential facilitating opportunities, it is important to recognize that a set of core values should guide your involvement.

They include:

1. Valid and useful information: meaning that all involved share the information relevant to the issue, that they understand it, and that it is useful to their deliberations.
2. Free and informed choice: those involved are free to make decisions based on the available information and their concerns, interests and desires. They are not coerced or manipulated into making choices against their will.
3. Internal commitment to the choices made: those involved not only accept the course of actions to be taken, but they also have a high degree of ownership and commitment to the decision(s) that will drive these actions.



Health Fistula Campaign Worker Speaks to Women

Task-related characteristics: The group's task effectiveness is enhanced when they:

- Are clear about what they want to achieve, in other words, why they have convened their collective resources;
- Clarify their individual roles and responsibilities as members of the group;
- Determine the need for external support and resources;
- Agree on how they will work together;
- Establish some ground rules including such concerns as making decisions, staying on track; disagreeing openly, and sharing all relevant information;
- Prepare an agenda;
- Record accurately what happened during the meeting; and
- Manage their time in relation to the tasks to be performed.

Music, to create harmony, must investigate discord.

Plutarch, First Century Greek Moralist

Managing conflict

Conflict is one of those things that most of us avoid if we can. The problem is, the conflict, and whatever is causing it, usually doesn't go away. It just sits there and simmers - and simmers. Avoiding conflict can and does create a lot of problems in many organizations. We also know that different cultures deal with conflict differently, and what we have to say is from a Western management bias. Given this, we urge you to look at this aspect of using your facilitating competency based on your own experience

and cultural norms.

Know the source

Conflict can develop when there are differences in:

- Facts and perceptions (our communicated view of reality)
- Preferred goals and outcomes (how things ought be, not how they currently are)
- Ways, or methods, for achieving those goals
- Values (our fundamental beliefs)

Differences over facts and perceptions are usually easier to resolve than differences in goals, outcomes, and the methods used to achieve these results. Values are the most difficult differences to resolve or even to manage with any degree of long-term success.

Conflict strategies

Different people have different ways of dealing with conflict. Many years ago, Kenneth Thomas, who is considered one of the leading experts on conflict management, identified five basic strategies individuals and groups employ when faced with conflict. These approaches are based on two primary dimensions of behaviour, "assertiveness," (the extent to which we attempt to satisfy our own concerns) and "co-operation," (the extent to which we attempt to satisfy the other person's concerns). Using a two dimensional model with high and low values on these two behaviours, he has defined five specific methods of dealing with conflict.

1. **Avoidance:** (unassertive and uncooperative) Individuals who adopt an avoidance approach to conflict don't pursue their own interests and concerns or those of

their adversaries. They simply avoid conflict by such tactics as not showing up for the meeting or by postponing the issue until some undetermined future date.

2. **Accommodation:** (unassertive and cooperative) Those who adopt this style neglect their own interests to satisfy the concerns of the other party. Tactics include such contrasting approaches as: yielding to the other side's point of view and selfless generosity.

3. **Competition:** (assertive and uncooperative) This style is the opposite of accommodation. It's a power-motivated strategy designed to win at any cost when confronted with a conflicting situation.

4. **Collaboration:** (assertive and cooperative) And, the opposite of avoidance. Collaboration, at its best, seeks to find win-win solutions to conflict. This involves solutions that satisfy the needs and concerns of both parties. Such a strategy involves an understanding of why the conflict exists and finding solutions that eliminate, or at least minimize, competition for resources.

5. **Compromise:** (somewhat assertive and cooperative) Parties tend to compromise when they are looking for fast, mutually acceptable solutions that partially satisfy both parties. Strategies include finding a middle ground everyone can live with and splitting the differences that exist between the conflicted bodies.

According to Thomas, there are no universal "right answers" when it comes to dealing with conflict. All five modes of behaviour are useful. It depends on the situation. It is believed that each of us tends to have a dominant style for dealing with conflict. For example, some of us might avoid conflict at all cost while others may have a tendency

to be competitive in conflict situations. Then again, we might resort to compromise or one of the other styles suggested by the Thomas model.

Explore the difference

If you are going to help manage conflict, the best place to begin is with a better understanding of the issues behind the conflict. This means digging beneath the surface indicators of what might be causing the conflict. Facts are the easiest to confirm and reconcile. Perceptions are more difficult. They have a tendency to become distorted, partly because we have the tendency to attribute motives to other people's actions and "see" things that will confirm our own position.

Here are some things you can do to help facilitate the resolution of a conflict between two individuals or groups.

1. Help the individuals or groups see the conflict from the others' point of view. Here is a situation when "active listening" skills can be used.

2. Look for situations where the conflicting parties have made assumptions about the intentions of others based on their own fears. Often we assume the worst in conflict situations, and these fears drive us to entrenched positions.

3. Move the warring parties away from attacking each other and placing blame. When this happens, we usually become defensive, counter attack, and create more distortions.

4. Help them create additional options. Often the only alternatives they have available are the two over which they are at odds.

5. Let them vent their emotions. Sometimes the emotions are more important than the facts. By getting them out, the parties often are able to unload feelings that inhibit constructive discussion.

6. Help them find win-win solutions. Not everyone wins in the resolution of conflict, but it is surprising how many times conflicts can be resolved with both sides coming out as winners. This is where your ability to listen and help those in conflict generate new options can be invaluable.

Your best resources, in helping others resolve their differences are: (a) the raw materials (knowledge and emotions) they bring to the situation, and (b) your patience and empathy in helping the adversaries refine their raw materials into an agreement they can both live with.

Gender issues in conflict resolution

The field of Conflict Resolution has traditionally not taken much notice of gender issues in either theory or practice. 'Gender' is a term used to describe the different socially-constructed roles usually, but not always, assigned to people based on their sex - their biological characteristics. Gender issues include questions related to both men and women, but gender is often seen to imply a focus on women because of a concern in the field with inequality and empowerment of socially disadvantaged people - often women.

Local governments' recognition of women's role in conflict resolution can assist in lowering the level of conflict, and to identify and sustain avenues for the continual provision of municipal services. For example, as women are responsible for sustaining households, have children who are victims or agents of conflict, and as many women

are active in community affairs, they have an interest in peace and the regular functioning of municipal services.

To reiterate, conflict is a potentially valuable resource in most organizations. Your facilitating competencies can help to resolve these conflicts and differences. If you haven't already been introduced to the UN-HABITAT, FPDL and LGI series entitled Building Bridges between Citizens and Local Governments through Managing Conflict and Differences we urge you to check out the UN-HABITAT website for access to them. www.unhabitat.org

The stitch is lost unless the thread is knotted.

Italian proverb

Facilitating and mediating

In many ways, the processes of facilitating and mediating are similar. Both are efforts to improve the quality of thinking and acting among the parties involved and to help them reach decisions acceptable to all members. In most situations these two processes also involve neutral third party interventions. In other words, the facilitator or mediator is on the outside looking in, not involved directly in decision making.

The major difference between these two processes is the issue of conflict. Mediation assumes the parties involved are in conflict. They haven't been able to resolve their differences and have sought the services of a mediator. In the case of facilitation, there may be conflict within the group but it isn't the reason why the group agreed to have someone help facilitate their interactions. The focus in facilitated sessions is primarily on making better decisions and solving problems.

We provided a definition of facilitation

earlier in this discussion. You might want to compare it with the following definition of mediation. According to Carl Moore, mediation is the intervention into a dispute or negotiation by an acceptable, impartial, and neutral third party who has no authoritative decision-making power to assist disputing parties in voluntarily reaching their own mutually acceptable settlement of issues in dispute.

If we keep following the idea of an eye for an eye and a tooth for a tooth, we will end up with an eyeless and toothless world.

Gandhi, 20th Century Indian National Leader

We want to encourage you to take advantage of the joint publication by UN-HABITAT and other interested parties called Building Bridges between Citizens and Local Governments through Managing Conflicts and Differences. It provides a much more thorough discussion of various ways to manage conflict and differences. You can find it on the UN-HABITAT website.

When is mediation appropriate?

There are some generally accepted conditions that make mediation an appropriate intervention.

Mediation is appropriate when:

- Strong emotions have muddled judgement.
- The parties know each other.
- There is no great disparity in the power relationship between parties.
- Maintaining the relationship between the parties is important.
- Those in conflict see the need to have a third party help them resolve their differences.

- There is a need for a quick decision.
- Lots of people are affected, e.g., a neighbourhood dispute.
- The parties involved want to avoid a costly, formal, public procedure like litigation.

There are also some conditions that make mediation an inappropriate intervention. These may be even more important to consider!

Don't consider mediation when:

- There are indications that one party intends to use the mediation to further enflame the conflict or to achieve an ulterior motive.
- It is evident in preliminary discussions that the parties are not willing to listen to each other.
- Parties are too disturbed to work toward a collaborative agreement.
- There is a power imbalance between the feuding parties that makes mutual decision making unlikely.
- Key persons or parties are unwilling to participate in the process.
- It is unlikely that any agreement that has been reached will be implemented.

These conditions suggest that the decision to mediate should be based on a clear understanding of the circumstances that exist between those in conflict.

The "how-to" of mediation

There are many models of mediation to consider. We have summarized below a practical and commonly used approach to mediation.

Stage One: Pre-mediation planning

Once the parties agree to work with a mediator, help them to understand the process and trust both you and the process. This includes gaining a mutual understanding of how the process will work; understanding the guidelines of engagement such as confidentiality and who makes the decisions, considering logistics such as where the mediation will take place, and developing a rapport among the parties to the mediation.

Planning should also include selection of a venue that provides privacy and rooms for holding joint meetings with those in dispute as well as smaller rooms for meeting with them separately. Anything you can learn about what has created the disagreement or conflict will be important, not for making up your mind ahead of time but to help you understand the circumstances that have resulted in the dispute.

Stage Two: Beginning the mediation

This initial stage covers introductions (you can assume the warring parties know each other), ground rules you think are important, logistics such as the time you think it will take to reach an agreement and where to get a cup of coffee, and how the process works, i.e., the possibility that you might want to meet separately with the parties to explore options for resolution.

Stage Three: Defining the issues

This is also referred to by some as providing “uninterrupted time” for those in dispute to tell their side of the story. It will be important to help them understand the importance of listening to each other in as courteous manner as possible given the circumstances. It is advisable to ask the most agitated party to speak first. There are

to be no interruptions or rebuttals during the time each person is speaking.

Stage Four: Exchange time

After the individual presentations, it's time to begin the dialogue to help all concerned better understand the nature of the conflict. This is the time to ask questions, explore assumptions behind the conflict, and look for common ground. As mediator, you will want to control this session, make sure that each party to the conflict has an opportunity to contribute, and look for understanding and opportunities for resolution.

You may also want to hold separate meetings with the parties to the conflict if it looks like this might help. You might want to check out a person's concerns more thoroughly, perhaps confront unhelpful behaviour, or help them think through their options.

Stage Five: Generating options to resolve the dispute

At this point, you might want to summarize what you see as the issues to be resolved. List them on a blackboard or newsprint so they can be seen by both sides. Elicit options for resolving each issue, evaluate and refine them, and test for agreement on each. This is the stage where you can bring into use the tools in Chapter Five on Decision Making.

Stage Six: Get it in writing

This is the time to build the agreement with the disputing parties. Detail who will do what and when. Emphasize positive, doable, acceptable actions. Make sure the agreement is even-handed and not conditional. Have all parties sign copies of the agreement. Close the session.

Mediation is an important tool for elected men and women to have in their tool box. And, there are many ways to mediate

disputes. While the literature on conflict resolution is rich in options, don't be discouraged. Most of us have developed skills over time in helping those who are caught up in disputes and conflict. Rely on your experience. If the conflict is too explosive and deep-seated, you will probably want to call in professional mediators.

Otherwise, sharpen your own facilitating and mediating tools and let people know you are willing to help them resolve their differences.

To think justly, we must understand what others mean; to know the value of our own thoughts, we must try their effect on other minds.

William Hazlitt, 19th Century English Essayist

Meetings, meetings, meetings

Meetings are indispensable when you don't want to do anything.

John Kenneth Galbraith, 20th Century American Economist, Author, Diplomat

You probably spend more time in meetings than almost any other thing you do as an urban leader. Given this reality, it's time to take on meetings as your next facilitating challenge. Before considering what you can do to make meetings more effective and obviously more efficient, let's spend a moment or two identifying some of the problems that plague meetings the world over.

- The goals and expectations are unclear.
- The meeting was scheduled to start an hour ago.
- Nobody seems to be in charge.
- There's no agenda.

- The discussion drifts from one issue to another without bringing closure to anything.
- Everyone seems to be talking at once.
- You're always sitting where you can't see what's going on.
- Somebody always seems to dominate the discussion.
- You feel manipulated - like a “rubber stamp” - since you didn't know what the meeting was about.
- The person responsible for chairing the meeting is out of town. Unfortunately, she didn't tell anyone the meeting was to be cancelled.

In order to better manage meetings, here are some suggestions:

- Start the meeting on time even though some who have been invited aren't there. To do otherwise punishes the diligent and rewards the tardy. Rewarding tardiness encourages tardiness the next time you meet.
- If is a small enough group and many don't know each other, take time for introductions. If there are newcomers to an established group, make sure they are introduced and acknowledged.
- Review the meeting objectives and agenda, ask for comments, and make any appropriate changes.
- If there are rules, you might want to go over them briefly. They could include showing respect for other people's opinions, providing opportunities for others to speak, something on giving appropriate

feedback if it's that kind of meeting, timing refreshment breaks, etc.

- If you see the need for either a timekeeper or note taker, you might want to ask for volunteers or better yet have them identified in advance. If you have, introduce these individuals and their respective roles. Otherwise, someone might think they are secret agents.
- Stick to your agenda but don't be dogmatic about this if one of your agenda items enflames the audience either positively or otherwise.
- Create and maintain a productive climate. Encourage active listening by listening actively to others. Speak frankly. Encourage feedback. Don't dominate the meeting.
- Encourage participation and pay particular attention to people from communities who have been culturally or conventionally excluded from participation and decision making.
- Use the questioning techniques covered in the Communicating Chapter. Encourage others to question as well.
- Give and get clarification of vague and complicated statements.
- Protect minority and unpopular opinions.
- Keep participants on track when they start to stray or begin to use the meeting as their personal "soapbox."
- Reduce tensions when conflict between others looks like it could get out of hand.

- Keep a watchful eye on the group's body language. It will tell you much about their collective frustration, boredom, or need for a break.
- Provide breaks before this happens.
- Don't give up control of the meeting.
- Bring the meeting to a close like you promised in the beginning unless the majority of participants want to continue. But before you do, summarize what happened and any actions agreed upon; decide on future meetings of the group and tie down the dates and venue if possible, and thank them for their participation.

We end our discussion of meetings where we began; trying to make the most of what many of you must feel is an elected official affliction. In spite of the negative reputation that meetings have garnered over the centuries, they remain a vital part of governing.

As we have demonstrated, they can be improved, they can be managed, and they can be productive. Meetings don't have to be places where you keep minutes and throw away hours.

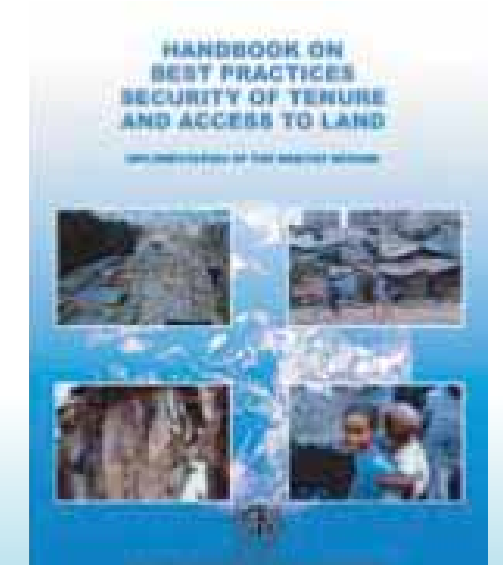
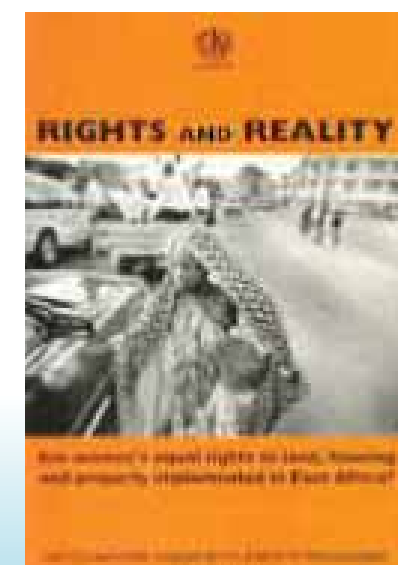
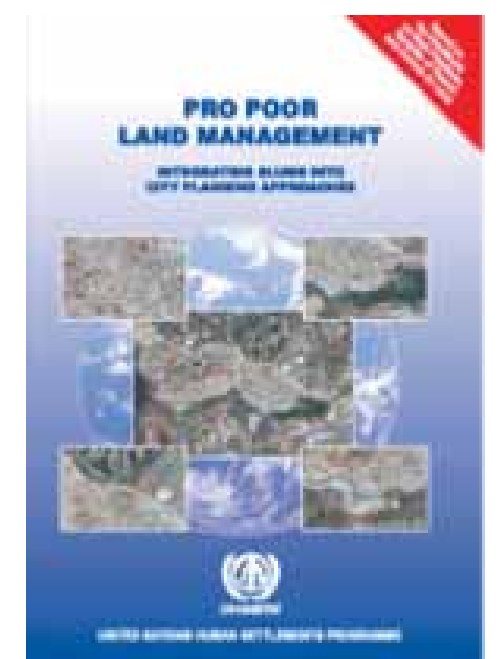
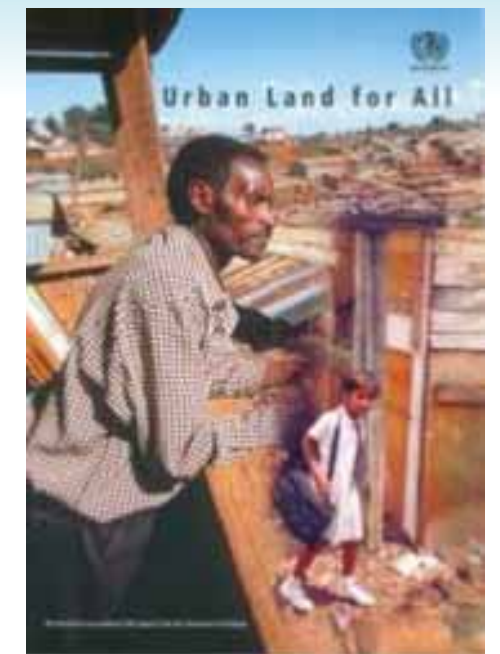
We're all in this together. If we succeed, we all succeed. If we fail, we all fail.

Teams and team building

- Teams consist of two or more individuals working together based on the assumption that their collective achievements equal more than the sum of what they could achieve by working alone. It's called synergy.

- Teams share a common purpose or goal that is clear to all members of the team. This is often referred to as focus.
- Teams coordinate their activities, and collaborate with each other to achieve their purpose and goals.
- Teams just don't happen. The individuals have to work hard to achieve the quality of synergy, focus, coordination, and collaboration that is recognized by each member and by those who observe their work that they are in fact a team.
- Teams develop and use individual and collective work habits and personal values that define and drive the quality of their contributions and work together. It's known as teamwork.

Understanding teams and how to develop teams so they can work more efficiently and effectively are also important when working with community-



Chapter 4: THE USING POWER COMPETENCY



The arena of power is no longer the exclusive preserve of a power elite or an establishment or persons clothed with legitimacy.

Introduction

Power tends to corrupt, and absolute power corrupts absolutely.

Lord Acton, (1834-1902) British statesman

We've decided to start this essay with the Lord Acton quote because it may be the most frequently used statement to describe power. It would be dishonest to ignore power's decidedly bad reputation, particularly when it comes to governance. While power is essential to the political process, it scares many of us because it is so often misused by those in public office.

In spite of these ominous signs, we believe that power is at the heart of your ability to lead as an elected official. It can also be one of your most respected competencies in the judgment of others, when used with principle and compassion.

The historian, James MacGregor Burns, helps provide the context for this discussion

about the positive attributes of power. In his seminal book on leadership, Burns says, "We must see power - and leadership - not as things but as relationships and to analyze power in the context of human motives and physical constraints.

The arena of power is no longer the exclusive preserve of a power elite or an establishment or persons clothed with legitimacy. Power is ubiquitous; it permeates human relationships. It exists whether or not it is requested for. It is the glory and the burden of most of humanity.

Nearly all human beings can stand adversity, but, if you want to test their character, give them power.

Abe Lincoln, 16th President of the United States of America

A reality check

Power dominates political and governance processes.

And it is the one competency that is abused most often by those who yield power.

For example, if an elected official: steals money from the public treasury,

- takes a bribe,
- bends the rules so only his friends can bid on a huge public contract,

Elected officials by virtue of their office have authority to act on behalf of their constituents. Authority is the legal framework within which they work to get things accomplished on behalf of the community.

- pressures local government staff to fix traffic tickets, or
- pays off the police to ignore a prostitution ring he operates in the city;

There would probably be little disagreement that these are all examples of misuse of political and position power. While you may argue about the seriousness of each example, we believe you would agree that they all represent the misuse of power and a violation of the public trust.

Now the good news: All these examples can be turned around by elected officials who use their many sources of power to serve the public good in principled and courageous ways. In other words, using power cuts both ways.

While power is often misused within local governments, those same sources of power can be directed to build strong, truly

representative and responsive local governments. Before we look at how you can use power as an urban leader, we need to spend a few moments talking about those components that make up your personal power base.

What is power?

James Lucas says power is a human force for achievement or obstruction that can be used individually or collectively for the constructive good, or the destruction, of other people and institutions.

It is important to see power not as a commodity to be used but as a relationship to be honoured. Those relationships involve the use of a rich mix of power using strategies available to elected officials. We will explore those options in a moment but first, here's an opportunity to reflect on what has just been said.

There is almost no troubled situation that cannot be improved by rearranging it to distribute power more equally.

Virginia Satir, 20th Century American Author

42 Lucas, James, Balance of Power, (New York: American Management Association, 1998) p.13.

The link between corruption and the culture of power

While the corruption of public institutions has been described in many ways, we want to talk about it in terms of the misuse of various kinds of elected leadership power.

Corruption can be fuelled by the misuse of your legitimate powers as elected representatives of the people, by the rewards that you can provide to your friends, by coercion through the misuse of the "powers" of your office, by manipulating information in less than transparent ways, and in your connections with those who connive with

public officials to exploit the public trust for personal gain.

Sources of power available to urban leaders

We have divided the various sources of potential power into three categories. They include your: legitimate power sources which come with the office of elected service; personal power sources which more often than not depend on others believing you possess them; and creative power sources which rely on your ability to combine resources and various other power sources to get things done.

Legitimate power sources

Elected officials by virtue of their office have authority to act on behalf of their constituents. Authority is the legal framework within which they work to get things accomplished on behalf of the community.

This legal mechanism is the system that gives the power to formulate and implement collective values.

This authority to act, the basis to use legitimate power, can also be described in terms of two other types of power: reward power and coercive power. In other words, a body of elected officials has the right and ability to reward and punish others.

1. Reward Power.

The use of your legitimate Reward Power is initiated and implemented either individually or collectively by members of the elected body.

Elected officials can reward constituents by doing favours, recognizing the efforts of others, helping them get access to various public facilities and services, and recommending individuals for appointments to various local government boards and commissions.

Collectively, elected bodies can use their legitimate powers to dole out all kinds of rewards: contracts, changes in land-use zoning that often result in instant financial gain to individuals and groups, official

Image power is largely in the eyes of the beholder but nevertheless a source of power to many elected officials. Officials who engender respect, obedience, and allegiance from their constituents can use this adoration..

recognition to individuals and groups for all sorts of reasons, jobs and promotions to select individuals, building new schools and health centres in select neighbourhoods, and providing a myriad of services from garbage pickup to police protection. Reward powers are only constrained by the resources that can be garnered and an official's imagination. It is also one of those power sources that is most susceptible to misuse.

2. Coercive Power.

Local government elected bodies through their institutional powers of authority can arrest individuals, impose fines and penalties, make legitimate decisions that are meant to harm certain parties i.e. location of public facilities, take away privileges, dismiss employees who aren't associated with their political parties, charge fees designed to intimidate

businesses they believe are undesirable, and order police actions that are designed to target selected audiences. If you think legitimate power can be coercive, consider the potential power of using legitimate powers illegitimately. It's not beyond the imagination of some unscrupulous elected officials.

Personal power sources

The next four sources of power based on expertise, information and ideas, image, and the right contacts, are only available to use as power sources if other people believe you possess them. In other words, if you believe you are an expert in some area of specialization but no one else thinks you are, it is hardly a source of power to exploit.

In other words, these sources require a transactional relationship between you and others before they become empowering options you can employ to get things done.

3. Expertise Power.

Expertise can be individual or institutional. Elected bodies develop over time various kinds of expertise that give them power. An individual elected official, also has the opportunity to develop specialized expertise, or might be elected based on previous expertise.

Physicians often run for office to use their medical expertise to bring about reforms or to fight for more health-related expenditures from the local government's budget.

4. Information and Idea Power.

This power source is both individual and collective. Most elected officials run for

Expertise can be individual or institutional. Elected bodies develop over time various kinds of expertise that give them power. An individual elected official, also has the opportunity to develop specialized expertise, or might be elected based on previous expertise.

office on a platform of ideas and possible policy reforms. If they are elected based on these ideas, it demonstrates the power of ideas.

Information is potentially powerful if it can be used to provide evidence for elected bodies to take certain actions.

Information can also be withheld which is a negative use of this source of power. The internet has become an enormous source of political power in some places based on its ability to get information to thousands of people simultaneously.

While this has more direct application to larger units of government, it is an informational source that can also be tapped by local governments and elected men and women to increase their power bases.

5. Image Power.

Image power is largely in the eyes of the beholder but nevertheless a source of power

By pulling together your various competencies as individual and collective elected officials, you are able to accomplish goals that were previously impossible.

to many elected officials. Officials who engender respect, obedience, and allegiance from their constituents can use this adoration to promote policies that might otherwise be difficult to adopt within a community.

6. Proximity power.

The right contacts and connections can make you more powerful. This could be an elected official who was a close friend of the country's president or some other dignitary, who was married to a person who is a popular radio talk show host, or who has connections with a large ethnic community within your municipality that is beginning to develop political clout? The potential power these connections and contacts can bring to an individual who is serving on an elected body is enormous.

Creative power sources

The final three sources of power, catalytic, shared, and holistic, depend on your creative talents to visualize how various combinations

of resources and power sources can help you accomplish your goals.

7. Catalytic power.

This source of power results from your ability to put two or more sources of power together, each of which may not be sufficient to produce results by themselves. For example, many policy changes which represent the use of your legitimate power base as elected officials might not be possible without expert, information, and even contact power. Information power is magnified greatly when fused with legitimate power. Sound policies demonstrate this truism.

8. Shared power.

This power source has become popular in recent years as individuals, groups, organizations, and institutions in various combinations come together to forge alliances and to interact for the purpose of achieving their separate or collective goals.

9. Holistic power.

This power source becomes possible not by combining other power sources which defines catalytic power but rather in combining several of the other competencies we have been talking about in this series.

For example, you may combine your communicating, policy-making, and institution-building skills to create a new organization to work with street children.

By pulling together your various competencies as individual and collective elected officials, you are able to accomplish goals that were previously impossible. Thinking and acting in holistic fashion can be powerful.



Participation and civic engagement.

Effective leaders make it possible for their citizens to get involved and do good works. To accomplish this, leaders empower others to act not by hoarding the power they have but by giving it away.

Authentic civic engagement requires local governing bodies to share information and resources. Both are at the heart of using power. To hoard these powers or use them unilaterally encourages the ultimate abuse of power.

Transparency and accountability.

When the mechanisms are in place to assure transparency and accountability, it is more difficult to be corrupt, to manipulate resources for personal or political gain. On the other hand, corruption practices can become so pervasive and institutionalized that everybody in the organization and community simply acknowledges their existence and operates accordingly.

- Equity and diversity that assures access to decision-making and the basic necessities of

Connecting the power competency with good governance

We can do noble acts without ruling earth and sea. - Aristotle, 3rd Century BC Greek Philosopher

Using power in a principled and strategic manner is fundamental to good governance. It is also an important leadership competency in relation to others like decision making, policy making, overseeing and negotiating. We will look at the inter-linkage between the various competencies in a moment, but first, a look at the links between using power and the principles of good governance.

life by all citizens creates a built-in mechanism for assuring openness and accountability. They become the other set of gatekeepers that make misuse of political powers nearly impossible.

- Efficiency in the delivery of public services is incompatible with abuse of power. Corruption is costly, creating shadowy mechanisms for siphoning off public funds and resources.
- When efficiency is working as a local government norm of operation, misuse of power involving tangible goods and resources in nearly impossible.
- Subsidiarity, the delegation of authority and resources to the closest appropriate level within the community for programme and service delivery, while admirable, has the potential to harbour the misuse of power.

Deals can be cut between elected officials and local politicians that undercut the intent of subsidiarity. These political shenanigans become more difficult for unscrupulous officials to use when the other principles of good governance are being implemented effectively.

Using power in an effective and principled manner also creates a synergistic relationship with other leadership competencies in this series. As we mentioned earlier, the application of more than one competency can result in the generation of holistic power. Let's look briefly at some of the possibilities. Mix and match your competencies and power sources

Elected men and women have the

opportunity to combine their individual and collective competencies and potential power sources to serve their local governments and communities. For example:

- The decision-making competencies of an elected body are increased significantly by using the expert and information powers of your elected colleagues and local government staff.
- Policy-making is dependent on the use of legitimate powers to reward those who abide by legislative mandates and to punish those who stray.
- The negotiation competency can be more successful when it taps any one of several elected leadership power sources i.e. image, connections, and expertise.
- The financing competency is highly dependent on the legitimate powers to reward and punish.

For example, enforcing taxes, rewarding high performance employees, collecting fines, and providing incentives for sustainable development within the community.

- The overseeing competency is fuelled by information power.
- Institution-building is complex and can benefit substantially from catalytic and shared power inputs.
- The enabling competency and power sharing are synonyms for effective elected leadership.
- The facilitating competency is enhanced by image and expert power by those who use it.

The urban leader's potential to build holistic power bases is dependent on the

skilful use of each of the competencies in combination with appropriate sources of individual and collective power.

What about empowerment?

In our age, independence and the ability to get things done are often mutually exclusive.

Robert Dilenschneider

Empowerment has become the mantra for many individuals and institutions that promote decentralization, subsidiarity, and, yes, democracy. These conceptual strategies only work when the devolution of responsibility and resources are married to accountability.

Power and gender

I do not wish women to have power over men; but over themselves.

Mary Wollstonecraft, 18th Century English Author and Women's Rights Advocate, (1759-1797)

In a world where nearly half of the population is disenfranchised for one reason or another, it would be blatantly wrong to talk about using power as an elected official competency without calling your attention to the importance of gender equality. In many patriarchal societies, the use of power is largely seen as a prerogative of the male species.

To provide a narrow window of opportunity to better understand how this issue might manifest itself within your elected body, we turn to research by Beth Vanfossen on gender differences in communication. According to Dr. Vanfossen's research, there are certain gender patterns in communication that take place in formal groups like city council meetings.

- Men tend to gain the "floor" more often and to keep it for longer periods of time than women.
- Men with expertise tend to talk longer than women with expertise. This is perhaps important when expertise is a source of power.
- Men initiate more interaction than women.
- Men are more likely than women to interrupt the speaking of others.
- Women are more likely to be interrupted than men.
- Talking time is related both to gender and organization power.

The more powerful spend more time talking than the less powerful.⁵⁰

⁵⁰ Vanfossen, Beth, Gender Differences in Communication, a paper presented to the Women and Expression Conference at Towson University Institute for Teaching and Research on Women, Maryland, USA. 1998

Whether you agree with these findings may not be as important as thinking about how you and your colleagues communicate on issues that involve power and gender. Do these conversations differ when gender is involved? Are women at a disadvantage in communicating during your elected body proceedings? If so, why? What might you and others do to address the issues of gender as they relate to the use of power within your elected body, and more importantly, within your local government as an institution representing all citizens?

Issues of power and administration

There is another critical relationship to be

considered in terms of power and authority. This is the relationship of elected officials with the local government officers and staff, those responsible for administering your local government and its programmes and services. While the power and authority of an elected official comes from the electorate through the ballot box, the ability to deliver the attributes of power is largely in the hands of those they employ to manage and deliver policies, services, and programmes within their jurisdiction.

Many of the things already said about using power as an elected official also apply to relationships with the local government's officers and staff.

On the other hand, the local government staff male and female members are not without their own power base. Let's take a brief look at some of sources of power they have available.

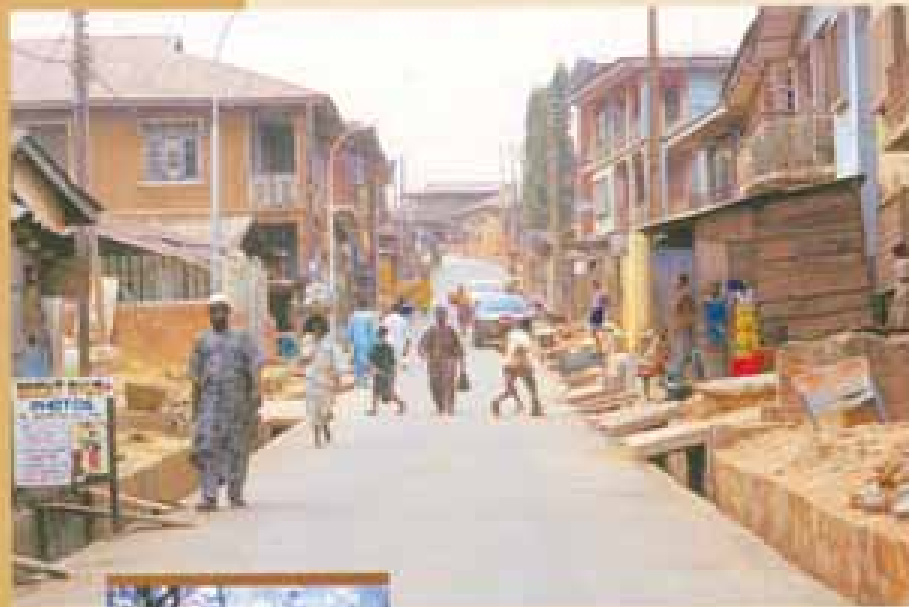
1. The staff represents knowledge, skills and experience that are difficult to replace.
2. Key staff members have expert knowledge and information about the organization, its operation, and the community that are invaluable to the ongoing implementation of programmes and services.
3. Local government employees are in a unique position to mobilize a network of friends and supporters who can be used to counterbalance elected decisions and actions if the employees think you are being unfair in your use of legislated authority.
4. Those who work for local government have many ways to divert or sabotage the good intentions of council-enacted programmes and services, if they so choose.
5. If all else fails, they can run against an elected official in the next election.

Forging a shared power partnership.

The relationship between the elected officials and employees of local government should be seen as an interdependent partnership. They need each other to be successful, and their goals should be largely congruent. This doesn't mean there won't be disagreements or conflicts, but they should be addressed in the spirit of mutual trust and respect. Here are some thoughts on how to keep the power partnership between these two arms of local government fine-tuned and operating effectively.

1. First and foremost, the officers and male and female staff of the local government need to be delegated the authority, responsibilities, and resources to do what is required of them. And they must be held accountable in the use of these attributes of governance.
2. Channels of communication should be kept open between urban leaders and the staff. There should be minimal "surprises" on both sides of this relationship.
3. Leaders should be goal-directed with their programmes and services and direct in their relationship with the staff.
4. Acts of coercion invite acts of resistance and retaliation. They are both attempts to unbalance or re-balance the power relationship, and they rarely work.
5. Sharing power is not the same as giving it away. Some elected officials seem reluctant to share their power of the public trust and responsibility with others, particularly those who work for them.

Chapter 5: THE DECISION-MAKING COMPETENCY



Tools to Support Participatory Urban Decision Making



United Nations Centre for Human Settlements (Habitat)



URBAN GOVERNANCE TOOLKIT SERIES

We all make decisions, individually and collectively, hundreds of times a day. So, what's there to talk about?

Introduction

Decisiveness is “biting through” the entirety of the situation and not nibbling around the edges, or just pulling off what is loose around the bone.

Bob Messing, 20th Century American Author

(The Tao of Management)

We all make decisions, individually and collectively, hundreds of times a day. So, what's there to talk about? Plenty! Individuals, groups like urban leaders, organizations, even countries, make bad decisions not just some of the time but frequently. It's often difficult to hold those who make

bad decisions accountable, particularly if the decision has been through a bunch of legalistic, bureaucratic, and public relations type filters.

Making decisions is a cross-cutting competency

The political process is about making decisions on behalf of those you represent. Decision-making is at the centre of your elected leadership roles and responsibilities. When we think about your financing, overseeing, institution-building, negotiating, and policy-making competencies, these all are based on making sound and principled decisions. These are the “what” aspects of elected leadership. Every one of these competencies is dependent on elected officials exercising their individual and joint decision-making powers and responsibilities. They represent decisions about:

- Allocating scarce financial and other resources;
- Holding others accountable;
- Building the institutional capacity of your local government to be more responsive and responsible;
- Negotiating to get the best deal for your local government and its citizens; and
- Most importantly, establishing local laws that define the present and future boundaries of public and private behaviours

More often than not, fulfilling each of these “what” competencies requires: 1) individual decisions which define your personal choices on specific issues; and 2) group decisions that represent a collective will to act on behalf of your constituents.

The other competencies of communicating, facilitating, enabling, and using power are associated with the “how” aspects of decision-making. We could also include negotiating as one of these competencies. Of all these competencies, using power may be the competency that is most intertwined with decision-making.

Through your elected body’s legitimate power sources, the policy-making, financing, and overseeing responsibilities that come with the office of elected leadership, you have a number of decision choices.

People know what they do; they frequently know why they do what they do; but what they don’t know is what what they do does.

Michel Foucault

Decision-making and good governance

The decision-making competency is very much linked to the principles of good governance espoused by institutions like UN-HABITAT and others. Let’s spend a few moments looking at these principles as they relate to decision-making.

52 Lucas, James R. *Balance of Power*, (New York, American Management Association, 1998), pp. 14-5.

- Participation or civic engagement is at the heart of participatory decision-making.
- The rule of law as a guiding principle

should never be questioned when making public decisions or private ones for that matter.

- Transparency and accountability are principles that are often ignored by local elected officials.
- Decision-making should be responsive, and we might add timely. These are not only good governance principles, but they also represent good management practices.
- Equity and inclusiveness may be two of the most difficult governance principles to factor into your decision-making as elected officials.
- Efficiency and effectiveness are bottom-line concerns with all major public decisions.

Effectiveness is doing the right things, those decisions more associated with policies and long-range planning. Efficiency is doing things right, the decisions more often aligned with the competencies of financing and overseeing.

Decision-making is at the core of being an elected official. Making decisions that adhere to the principles of good governance is at the heart of urban leadership.

A reflective opportunity

Before you move on, it is time to reflect on the many ideas about decision-making that have just been presented. We suggest you take the good governance qualities just discussed and jot down examples of decisions your local elected body has made recently that fit these categories. For example, were there decisions involving issues of inclusiveness,

civic engagement, transparency, efficiency, or other principles of good governance? If so, make a note of them below.

.....

The art of making effective decisions

Having good intentions and a sound understanding and commitment to the principles of good governance and gender balance aren’t enough. It also takes analytical skills, an understanding of information and data and how to organize it, the ability to reason and engage in critical inquiry, and knowing how to use your experience and observations to reach logical and workable conclusions.

In *Smart Choices*, the authors say that an effective decision-making process fulfils six criteria:

54 Eagly, Alice, *Gender and Leadership: A Review of Pertinent Research* (Evanston, Ill. Harmony: Forum of the Symphony Orchestra Institute, April 1998), p. 103.

1. It focuses on what’s important.
2. It is logical and consistent.
3. It acknowledges both subjective and

objective factors and blends analytical with intuitive thinking.

4. It requires only as much information and analysis as is necessary to resolve a particular dilemma.
5. It encourages and guides the gathering of relevant information and informed opinion.
6. It is straightforward, reliable, easy to use, and flexible. 55

In order to fulfil these criteria, we are suggesting the following seven-step decision-making process.

55 Hammond, John, Ralph Keeney, and Howard Raiffa, *Smart Choices*, (New York. Broadway Books, 1999), p. 4.

1. Awareness and vision
2. Building decision-making coalitions
3. Focusing in on the problem or opportunity
4. Determining your goals and objectives
5. Developing options
6. Deciding on a course f or action
7. Implementation readiness

Step one: Awareness and vision

Awareness and vision often starts with problems and opportunities. Awareness and vision is more like an attitude or a mindset, a way of looking at things as an elected official. For example, solving problems begins with the basic awareness that something is wrong in the organization or community, or about to be, and needs to be addressed. A vision, on the other hand, is about a future state that is

an improvement on the current situation.

Like problems and opportunities, awareness and vision lend themselves to description by contrast:

- Awareness is seeing “what is.” Vision is seeing what “can be.”
- Awareness is more tactical, short-term, and specific. Vision is long-term and strategic in its perspective.
- Awareness looks at the details; vision paints the “big picture.”
- Awareness involves convergent thinking or focusing in. Vision is at its best when our thoughts diverge from the beaten path.

Step two: Building decision-making coalitions

You never plough a field by turning it over in your mind.

Irish proverb

It's never too early to think about expanding your circle of decision-makers to solve problems and seize opportunities at various levels of the local government organization and the larger community. Another way to describe that circle of decision-makers is through the commonly used term, stakeholders. Stakeholders in decision-making can involve not just individuals but groups and organizations as well. They can be many citizens, young and old and from different income, ethnic, and cultural communities of your local government. They are those who may be either the cause of an issue, like pollution, or those who suffer the consequences. They are also those who will support your elected body in matters of public policy making, and those who oppose your initiatives.

Step three: Focusing in on the problem or opportunity

Thinking is preparation for action. People who are afraid of action, increase the preparation.

Otto Fenichel

One way to make better decisions when the decisions involve problems is to ask your problem a series of simple questions. This dialogue with your problem is perhaps the easiest way to understand whether you have a problem and whether or not you want to do something about it. Sometimes the best solution is not to solve the problem.

Here are some questions to ask your problem:

- What is the problem, the real problem?
- Why is it a problem? Or, what is causing the problem? Some street maintenance departments spend a lot of time fixing potholes and never stop to ask why the potholes are there in the first place.
- The Why? question is one worth repeating over and over until you get to the bottom of the problem.

Step four: Determining your goals and objectives

We like to think of the goal as being the summation of a set of objectives. In other words, it is the global objective, less specific, less measurable, etc. Defining objectives and putting them into descriptive words that clearly state what you want to accomplish requires a kind of discipline that some of the other steps do not. As you write those objectives, ask yourself if they are:

- Measurable
- Specific
- Result-oriented
- Realistic and attainable
- Time bound

Step five: Developing options

Once you have defined where you want to go by stating your objective, it is time to analyze the forces surrounding the objective and the changes you want to accomplish by achieving your objective(s). We achieve our objective, e.g., problem solved or opportunity seized, by unbalancing these forces and shifting the equilibrium in the desired direction. Three processes are involved:

- **Diagnosis:** Identify the major forces, driving and restraining, that are helping to maintain the current level of activity.
- **Unfreezing:** Changing the different strengths of the individual forces, both pro and con.
- **Redefining:** Re-freezing the situation at a new, desired level of achievement-based on intended results.

There are three basic decision-making strategies for bringing about change to achieve your objectives. You can:

- Add to the driving forces. This generally is less desirable since adding driving forces usually results in more opposing forces, which increases tension.
- Remove or reduce restraining forces. This is usually more desirable and less obvious.
- Add driving forces and eliminate or

reduce restraining forces. This is probably the most frequently used strategy.

Step six: Deciding on a course of action

The analysis stage of your decision-making, problem-solving, opportunity-seizing process should provide you with emerging options. Options, by their very nature, require more decision-making. In an environment of scarce resources, it is important to consider what economists call the “opportunity costs” of your decisions. For example, what are the opportunity costs if your local government decides to spend scarce funds on a heart transplant centre at the university hospital rather than an AIDS prevention educational programme?

Decisions with multiple objectives cannot be resolved by focusing on only one of the objectives. More often than not, you are obliged for political and other reasons to seek a satisfactory solution, to not let the “best” become the enemy of the good. Herbert Simon, who has written extensively about decision-making in public settings, calls this the “satisficing” solution. Recognizing the need to engage in “satisficing” decision-making, it is important to resist the pressures that often force us to take the first available satisfactory solution to a problem. Finding new options to old problems is how the future gets invented.

Step seven: Implementation readiness

The decision-making process doesn't end with making decisions. You also want to be assured that your decisions will become effective actions. Two dimensions are relevant in assessing the potential effectiveness of your decision. These are (a) the quality of the decision, and (b) its acceptance by those who either have to execute it or will

be affected by it. Both of these will have an impact on the final outcome, which also needs to be considered as you move towards a final decision. The quality of the decision will depend on a number of factors. These factors could include, for example:

- Goal focus
- Resource availability
- Timing
- Feasibility
- Adequacy
- Acceptance

Group decision-making options

Edgar Schein describes the following ways that groups make decisions. Decision by formal authority or self-authorization: This type of decision-making is central to the role and responsibility of an elected official.

1. Decision by minority: Have you ever felt coerced into silently supporting a decision by someone else? It happens frequently when individuals get together to make decisions.

2. Decision by majority rule: This involves voting and/or polling of those who have the authority to vote.

3. Decision by lack of response: This is when someone suggests an idea and nobody responds to it. By not responding, the group has made a decision not to support the idea or the contributor.

4. Decision by consensus. While making decisions by consensus can be time consuming, it is one of the most effective ways to make decisions because it builds commitment into implementing the decision.

5. Consensus is not the same as unanimity. There may still be differences of opinion, but these differences have been heard, and those who hold them are prepared to support the decision.

6. Decision by unanimous consent. In this case, everyone agrees on the course of action to be taken. Sounds good but here is a word of caution about coming to a quick unanimous decision. Group decision-makers are sometimes the victims of something called “groupthink.” Groupthink is the mode of thinking that persons engage in when concurrence-seeking becomes so dominant in a cohesive in-group that it tends to override realistic appraisal of alternative courses of action.

Some final thoughts about decisions and decision-making

Since one of your primary and most important roles as elected officials is policy-making and policy-making is all about making decisions, we will continue looking at this fascinating competency from a slightly different perspective in the chapter on policy-making. But first we'll hear from Peter Drucker, a world treasure when it comes to telling us what we should know about things like decision-making.

According to Peter Drucker, a world treasure when it comes to telling us what we should know about things like decision-making,

A decision is a judgment. It is a choice between alternatives. It is rarely a choice between right and wrong. It is at best a choice between ‘almost right’ and “almost wrong” - but much more often a choice between two courses of action neither of which is provably more nearly right than the other.”

Perhaps because decisions are largely judgements made by mere mortals, Drucker emphasizes the importance of hearing dissenting points of view. He lists three reasons why dissent is needed.

- First, it safeguards the decision-makers against becoming prisoners of the institution.
- Second, “disagreement alone can provide alternatives to a decision. And a decision without an alternative is a desperate gambler’s throw, no matter how carefully thought out it might be.”
- Finally, “disagreement is needed to stimulate the imagination.

The effective decision-maker, therefore encourages and seeks out dissent..

57 Schein, Edgar H., Process Consultation, Volume One. (Reading, MA., Addison-Wesley, 1988), pp.69-74.

58 Drucker, Peter, Management: Tasks, Responsibilities, Practices. (New York, Harper and Row, 1973), p. 470.

59 Drucker, p. 473.



Chapter 6: THE POLICY-MAKING COMPETENCY

Politics is the art of getting votes from the poor and money from the rich by promising to protect each from the other.

Introduction

What we think or what we believe in is, in the end, of little consequence. The only thing of consequence is what we do.

John Ruskin, 19th Century English Essayist

The word policy gets confused with politics in some parts of the world. It may be the way the term gets translated into other languages. Policy-making can be politically motivated, but it's not politics. For some reason, actually for many reasons, "politics" has a bad reputation, and even some elected officials don't like to think they are in politics or worse yet that they are "politicians."

Since we will go to some lengths to define what we mean by policy, it's only fair that we define politics before we move on. As one cynic said, "Politics is the art of getting votes from the poor and money from the rich by promising to protect each from the other." We welcome you, of course, to add your own interpretations. Now, about policy making...

Just what do we mean by policy?

There is the impression or expectation that policies result from a very deliberate process of decision-making on the part of policy bodies and are based on thorough analysis of all the conditions surrounding an issue under consideration and the various alternatives available to improve upon it. In reality, the policy process is very messy. Sometimes it really does happen as suggested in the

statement just made. Other times it evolves out of negotiations with several parties, for example, as conditions precedent in a donor-assisted loan agreement for a new water plant.

Given all these possibilities, the potential for your lasting influence, indeed your legacy, as a policy-maker can be greatly diminished. We want to help you learn how to escape the dilemma of policies being everything and nothing.

To summarise, policies show intent, declare stands on difficult issues, formalise visions, describe required actions, announce decisions, clarify relationships, and more. Policies are useful and necessary to assure good governance.

Who makes policy?

In reality, policies are made by all organizations whether they are public, private, non-governmental, or a mix of these.

All levels of governments make policies, and often their policies are contradictory. So, when local governments make policies, they need to be aware that other levels of government or governments on their same level are also making policies that might not be compatible.

Involving others in your policy making responsibilities

Now we want to talk about the importance

of involving others in your policy-making initiatives. Perhaps the best way to do this is to relate a story. By the way, we've inserted the word policy where we think a policy was either needed or implied to make this complex set of activities achieve its goal.⁶⁵

The Municipality of Quito, Ecuador, established a one-stop women's centre (policy?). It was a joint action with several NGOs and institutions (policy?). Its purpose was to assist poor women, especially those with social problems like family break-ups and domestic violence (policy?). It was able to acquire funds from the European Commission to create the one-stop centre (policy?)

⁶⁵ Taken from a collection of cases prepared by IULA, Local Governments Working for Gender Equality. (*The Hague. IULA, 2001*), p13.

It involved a special police facility to help assaulted women and girls and provide legal aid for those who couldn't get access to the legal system (policy?) There were other services including child care (Policy?), medical services (policy?), addiction counselling (policy?), and training to help women form their own organisations (policy?).

The centre has been active in lobbying and raising awareness of gender equality and equity issues (policy?). And, the City Council used this experience to develop a new municipal gender policy. No question, this was a policy!

While we don't know for certain, we suspect that the creation of this one-stop centre known as Las TresManuelas did, in fact or in principle, intentionally or unintentionally, formally or informally, require a number of policy decisions. Some were probably

administrative-type policies, others management policies, and finally others were what we believe to be governance policies. In just a few moments we will take a look at what these different types of policies are all about. However, before we do let's look at an important issue and concern that runs through all policies and policy related gender issues.

When one is helping another, both gain in strength.

Ecuador proverb

Gender and the policy-making process

There may be no better place in this series to talk in some depth about gender issues and elected leadership than here. After all, it is the policy-making competency that is used to forge new legislation, establish new programmes, and provide management and staff support to all good governance initiatives, including those that deal with gender equality and equity. One of the best sources of information and enlightenment on issues of gender equality and equity as it relates to the policy-making process comes out of Canada. The sourced is the organization Status on Women Canada, Policy Analysis and of what you are about to read has been gleaned from this website and a document called Gender-based Analysis: A Guide for Policy-Making (revised edition, 1998). Check it out!

Development Directorate in Ottawa. Their website is: www.swc-cfc.gc.ca

Much Status of Women Canada (SWC) defines some of the terms we needed for this discussion in the following way.

- Gender is the culturally specific set of characteristics that identifies the social behaviour of women and men

and the relationship between them. Because it is a relational term, gender must include women and men. Gender is an analytical tool for understanding social processes, and central to the formulation of many public policies.

- Gender equity is the process of being fair to women and men. To ensure fairness, measures must often be available to compensate for historical and social disadvantages that prevent women and men from otherwise operating on a level playing field. Equity leads to equality.
- Gender equality means that women and men enjoy the same status; that they have equal conditions for realizing their full human rights and potential to contribute to all kinds of development and the benefit from these developments.

As SWC reminds us, gender equality is the equal valuing by society of both the similarities and differences between women and men, and the carrying roles that they play.

What kinds of policies are we talking about?

Too often, elected officials get bogged down in the wrong kinds of policy-making. Many elected officials focus on administrative and management policy-making at the expense of governance policy-making.

Let's see if we can shed some light on this dilemma by looking at the different kinds of policies. There are administrative policies, management policies, and governance policies.

1. Administrative policies are more often than not procedures that have been

established to carry out a specific function within the organization.

For example, personnel procedures in most organizations would define fringe benefits, hiring procedures and other standard operating procedures that have been developed by staff members or managers depending on the size of the organization. They may or may not be approved by the elected body depending on the function.

Local governments typically create a flood of procedures, guidelines, and what are often called policies to administer internal functions and duties. Many of them rarely go beyond the internal memorandum that spells out the procedures to be followed.

2. Management policies get closer to becoming governing-body material. They typically involve the preparation of annual and capital budgets, the working relationships with contractors and other external working partners, and the interactions with a variety of community-based institutions. John Carver in *Boards That Make a Difference* suggests that governing board members often get thrust into a super-staff relationship with their managers on management issues when they should be taking the high road to policy making. One reason this happens is that policy board members typically "pride themselves with being decision-makers and problem-solvers. They gauge their performance by such decisions and solutions, not by the clarity of the policies that led to them."

⁶⁶ Carver, John, *Boards That Make a Difference*, (San Francisco, CA. Jossey-Bass Publishers, 1990),

3. Governance policies, driven by elected governing bodies that take a more activist role in policy formulation, are the kinds

of policies Carver believes elected officials should be making. Carver also believes a governing board can gain far more control over what matters in the organization and be at less risk in getting lost in the administrative details if they focus on governance-type policy-making. He contends that policy boards need to be more proactive in promoting policies that focus on long range goals. As we will explore later, there is a direct connection between strategic planning activities and governance policy-making. But first, let's look at an impressive demonstration of proactive policy-making.

CASE STUDY

The municipal councils in the Durban, South Africa, metropolitan region have demonstrated by their actions the kinds of policy decisions advocated by Carver. With the advent of democratic government in 1994, the new South African constitution mandated local governments to promote local economic development, challenging them to adopt pro-poor policies that emphasized participation and consultation. Following municipal elections two years later, the local councils in the Durban metropolitan area began a sustained process of developing policies that would support the development of the informal sector on a region-wide basis.

With this vision clearly in mind, they undertook research on the informal sector to better understand its characteristics and needs. Working with informal sector participants, they developed policies for regulating and supporting street trading. One distinction of this consultative approach was the emphasis put on the interdependence of the formal and informal economies of Durban. Street traders were seen as a vital part of urban life and the economy of the region, not as an

impediment to development as is often the case.

An inclusive process of consultation was designed and implemented involving a rich mix of stakeholders in the impact areas. They included informal and formal business associations, elected officials from the unions, civic groups, and forums designed to reach the less articulate, less centrally situated groups of informal sector working men and women. These consultations resulted in the development of various policy initiatives needed to support a variety of ventures that would focus on building the informal sector of the metropolitan economy.

67 Carver, p.32.

For example, policies were established to:

- Simplify registration costs for vendors and home workers and provide incentives to become registered.
- Include informal trader association representatives on planning and policy committees such as the Self-Employed Women's Union.
- Provide on-going support to trader organizations i.e. meeting places, legal advice, and secretarial help, using municipal assets whenever possible.
- Develop an information system that links the participating parties together.
- Foster collaboration between local governments and traders to improve the image of the informal economy.

This remarkable case study demonstrates the power of elected leadership policy-making based on a vision, rigorous field research, widespread consultation and involvement, and a constant drive toward implementation successes.

Those who expect to reap the blessings of democracy must undergo the fatigue of supporting it.

Thomas Paine, 18th Century British born American politician-author

How to craft a policy statement

68 Based on a case study by Jeremy Grest, The Informal Economy Policy Framework in Durban, in the publication Sustainable Urbanisation:

Bridging the Green and Brown Agendas, (London, The Development Planning Unit, University College London, 2002), pp.144-5.

Once again, we call on John Carver who has contributed as much as any one person to help governance bodies make a difference in the quality of their performance. Policies should be

Explicit and written:

This is the only way that others will know what the policy is designed to do. It means "laying one's values on the table, exposing differences, and confronting them openly." Openness and accountability are the principles that come into play with being explicit.

Current:

Up-to-date policies are the only ones that work. This means the portfolio of governing policies must be managed through annual reviews and purging sessions to get rid of outdated and contradictory policies.

Literal:

In other words, they must mean what they say. Carver makes the point, that "Governing is a verbal job; if a governing body's words have little integrity, governance cannot be

excellent."

Available:

Keep them in one place and make them easily accessible to all who need to see them.

69 Carver, p.41.

- Brief: While many are impressed by complexity and legalistic language that is meant only to impress other lawyers, governing bodies "need to seek the compelling elegance of simplicity."
- Encompassing: Policies must support the wholeness that governing bodies want governance to be. This sounds contradictory to the "brief" criteria but Carver sees no inherent conflict. He advised starting with the larger issues such as gender equality and equity before dealing with subordinate concerns that might be implicit in the larger policy stand.

A reflective opportunity

We've been weaving into each of the competency discussions a look at how the good governance principles provide the platform for using the various competencies and how they in turn can serve the promotion of these principles.

We want you to reflect on how you could use policy making to promote each of the good governance principles.

After each of the governance principles, describe a policy action that your elected body has taken or could take that would encompass the principle. Be as specific as possible about the focus of the policy, the target group it would involve, and the intended results, i.e. the what, who, and why inquiries. For example, you

might say: We will develop policies to provide skills training and counselling for homeless women for the purpose of making them more viable in finding sustainable employment opportunities as an example of the inclusiveness principle.

70 Carver, pp. 42-4.

71 Matzer, Jack. *Financial Policy Making*, (Bratislava, Slovakia. Local Government Assistance Center, 1998.), p.31.

Goals>Policies>Strategies>Implementation

Do you ever find yourself confused about the differences among the terms goals, policies and strategies?

Since they all have something to do with policy-making, it might be helpful to see how they interrelate.

Goals are statements that describe desired future conditions worthy of community effort and commitment. They

1. Reflect a community's basic purposes;
2. Focus on results, not just the performance of tasks or completion of assignments; and
3. Call for a major commitment of human and material resources to assure their attainment.

Policies as stated previously are formal positions taken by the governing body to support the implementation of goals. They are also statements of intent; they state what your local government intends to do. In this context, they are not random consequences of chance behaviour.

They are deliberate acts by those who possess the responsibility for making decisions that will produce anticipated results. Policies

make goals legal and sanction government courses of action.

They lead to the development of strategies to carry out the goals.

Strategies are the means used to accomplish goals and implement policies. Strategies should encompass a wide range of alternatives to get programmes and projects implemented. They are the "how to" part of the puzzle. One strategy is to use a source other than local government organizations to carry out public goals and policies.

Implementation is the broad term used to describe the actions taken to carry out goals, policies and strategies. Implementation implies doing something tangible. You can physically see most implementations as they take place.

EXAMPLE

Suppose you represent a rural district as an elected official.

- Only twenty percent of the district residents have convenient access to a potable water supply at this time. This constitutes a problem.
- In reviewing this problem, your governing body has decided or established the goal that ninety-five percent of all citizens of the district should have a potable water supply within one kilometre of their primary residence within the next five years i.e. by the year
- Since the district doesn't have the funds available to construct all the facilities required to meet this ambitious goal, they have adopted legislation or a policy that spells out the facilitating role the local

government will take to help citizens develop their own sources of potable water.

This legislation has also indicated there will be penalties imposed after certain deadlines have passed if citizens are not using potable water sources in those areas designated as safe water zones.

- Your elected body and its representatives have also detailed what they plan to do or a strategy to assist citizens in the implementation of this policy. The local government will assist in setting up neighbourhood user committees; provide training; locate long-term loan sources for the development of localized water sources; and provide inspection services during and after construction of the facilities to ensure that they meet certain standards.
- As soon as citizens begin to establish their committees, the implementation of the strategy has begun.

Policy dialogue opportunities

There are many ways to carry out a policy dialogue.

Here are just a few of the ways your counterparts in other parts of the world are responding to this role challenge:

Governing body/staff recommendations.

Probably the most common approach to policy formulation is to rely heavily upon the local government's professional staff to make recommendations for your consideration. Their recommendations are generally tied to programmatic changes they want to make or to proposed budget allocations

that may have policy implications. While this approach provides governing bodies with a professional perspective, more often than not it ignores the broader issues of the community

Elected official/staff interactions.

It's becoming more common for elected bodies to spend a few un-interrupted days each year thinking through long-range issues and concerns with key members of their staff. These meetings or retreats often take place in a setting away from the city and are usually organised and conducted by an outside facilitator, someone skilled in managing small group discussions. It is an opportunity for the elected men and women and their professional team to:

1. Reflect on the problems they are facing;
2. Think about opportunities to serve the community more effectively; and
3. Do some long-range planning or policy formulation.

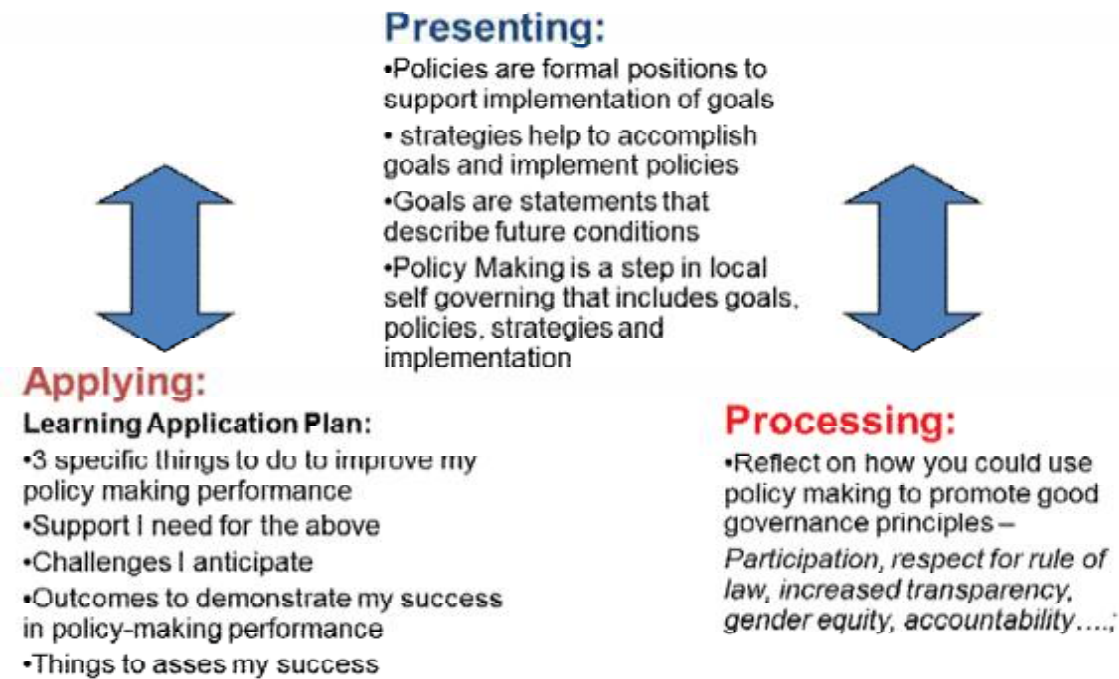
Governing body/community discussions.

Many governing bodies have initiated community-wide discussions that involve a large number of individuals representing diverse interests and groups. These expanded dialogues take a variety of forms and cover different time frames. They can be single-issue oriented or include a wide spectrum of community concerns.

Community initiatives.

The trend toward participatory democracy and local self-governance has prompted some local governments to work directly with neighbourhoods in helping them plan for greater involvement in the locality.

Example: Policy Making



Sometimes the council assigns staff members to work directly with these sub-units of the local government in their efforts to be more self-reliant and directed. There are a number of excellent examples of this devolutionary approach to governance from around the world. The UN-HABITAT Local

Agenda 21 initiatives helped local governments and communities in diverse geographic locations establish community consultation processes to formulate community-based policies, plans, and programmes.

Actions speak louder than words

Policies are curious manifestations of human intent. In the perfect world of good governance, they should be made in consultation with those who will be responsible for implementing them and with those who will be affected by their presence. They should also promote and put into operation principles of equity and

inclusiveness. The rule of law principle pervades not just the process of policy-making but all those interactions and activities the policy sets in motion.

Public policies should also be subject to public scrutiny before and during their adoption and after they become operational. They should be responsive to the rationale that led to their creation. These are the principles of openness and accountability. Effectiveness, which we interpret as “doing the right things” as representatives of those you serve as elected officials, is central to policy-making. Efficiency is a management responsibility and should be backed by administrative policies that adhere to all the other good governance principles.

Elected men and women by the power vested in them will either make policies that meet good governance qualities or policies that call into question their commitment to good governance and their citizens.

Chapter 7: THE ENABLING COMPETENCY

Introduction

We are just at the beginning of an era of essential partnerships, alliances, and coalitions. We are learning to build community beyond the walls of the organization, with the same kind of initiative and energy we have used in building the organization within the walls.

Frances Hesselbein

Enabling is one of those relatively new concepts that is used to describe various kinds of interactions among governments, civil society institutions, and citizens to put good governance principles into practice. Ms. Hesselbein, quoted above, is reflecting on her experience as a leader in the non-governmental sector and not local government. Her “construction” metaphor is useful in conveying the essence of enabling as a community building strategy.

Moreover, we believe enabling is a leadership competency that has enormous potential 1) to add value to many local government functions and responsibilities at minimal costs and 2) to infuse the democratic process at all levels of the community with vigour and purpose.

Defining terms

Enabling is providing the means for others to get things done. It is also much more. Posner, In *The Leadership Challenge*, describe what they believe to be the five practices of exemplary leadership. These are: model the way, inspire a shared vision, challenge the process, encourage the heart, and enable others to act. Your ability to provide elected

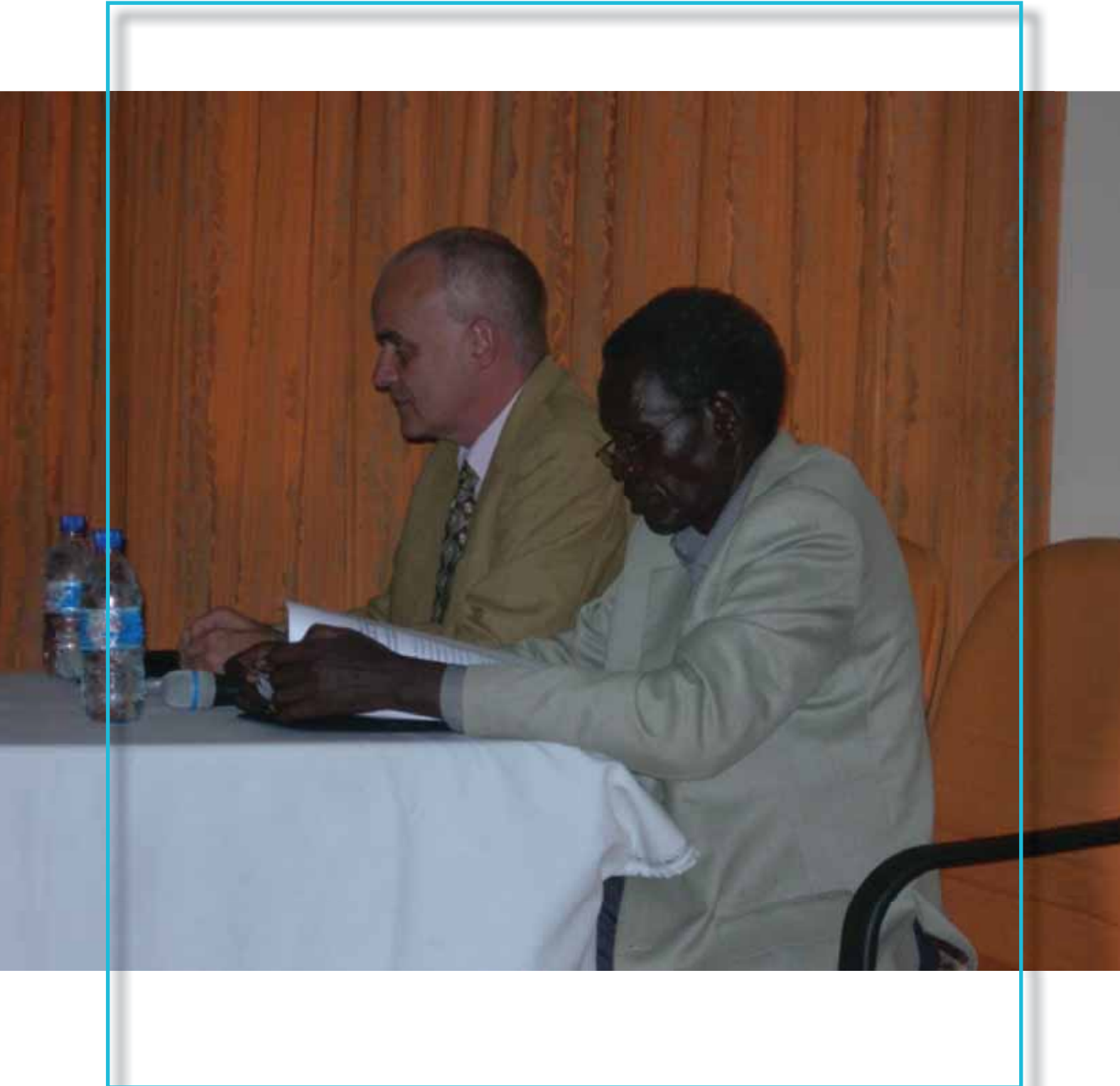
leadership and your ability to enable others are in many ways related to the other four practices outlined in their model.

Enabling others, according to Kouzes and Posner, is based on two fundamental commitments:

- Fostering collaboration by promoting cooperative goals and building trust; and
- Strengthening others by sharing power and discretion.

When local governments foster collaboration, they involve others in the governance process from goal setting to the implementation of programmes and services. Sharing power and resources is also important to assure that those who have been “enabled” have the means to get things done. By “others” we mean a broad range of institutional arrangements, not just individual men and women although individual efforts are not excluded in the enabling process. Here are just a few examples of how the enabling competency works.

- Enabling involves communication, not just from local government to local citizens but from the bottom of the democratic process, neighbourhoods and groups of citizens to their local governments.
- Enabling involves shared decision making and making decisions where they mean the most to those who have to live by their consequences.



- Enabling involves the decentralisation of public programmes and services whenever possible or what UN-HABITAT calls subsidiarity.
- Enabling is the process of building partnerships with civil society institutions as well as other units of government.
- Enabling is assuring that your local government organisation is delegated the authority, resources, and responsibilities to implement legislated policies, programmes and services.

As you can see, enabling involves in one way or another all the other urban leadership competencies highlighted by this series, and it cuts to the heart of many of the good governance principles. It is also important to recognise that the enabling competency is a reciprocal relationship with citizens, all aspects of the civil society, and the local government managers and staff.

Being reciprocal, enabling flows both ways.

It is difficult to talk about enabling and how the process works without also discussing civil society. These two, enabling and civil society, are deeply intertwined in efforts to bring good governance

72 Kouzes, James M. and Barry Z. Posner, *The Leadership Challenge*, (San Francisco, Jossey-Bass, 2002), p.22.

In the long history of humankind those who learned to collaborate and improvise most effectively have prevailed.

Charles Darwin, 19th Century English naturalist

Enabling and civil society: What's the connection?

Civil society encompasses the whole range of civic action independent of formal political institutions. It includes service associations, philanthropic groups, cultural groups, religious organisations, labour unions, athletic organisations, youth and women groups, plus many more in every imaginable field of interest or endeavour. The concept also embraces economic relations, organisations, and activities not owned or directly controlled by the state. In other words, if it isn't government, it's civil society. This is an important distinction to keep in mind when applying your leadership enabling skills and competencies.

73 Bahmueller, Charles F. "Civil Society and Democracy Reconsidered" *Sociedad Civil, Vol. No.1, 1996 (Mexico City)*, pp.63.

74 Bahmueller, p.69.

The functions of civil society

We are focusing on civil society in our exploration of the enabling competency because it is fundamental to democracy and good governance. Larry Diamond, co-editor of the *Journal of Democracy*, outlines what he believes to be the ten "democratic functions" of civil society.

They include:

1. Limiting state powers by monitoring the abuse of power, such as corruption and vote fraud, and mobilising society to protest such abuses.
2. Supplementing the role of political parties in stimulating political participation.
3. Developing attributes such as toleration and moderation
4. Providing non-political ways to articulate, aggregate, and represent interests.

5. Establishing voluntary associations that transcend regions, religion, class, ethnicity, and other special interests.
6. Recruiting and training potential political leaders outside the mainstream of political parties.
7. Helping to build democracy through educating citizens about democracy and the democratic processes.
8. Helping to achieve economic reforms that strengthen democratic processes.
9. Strengthening emerging democratic states by pressuring them into patterns of behaviour that help them achieve good governance for their citizens.

Civil society is a potentially powerful ally in helping you and your local government achieve and sustain successes in providing services to keep the faith of your citizens.

75 Diamond, Larry. "Rethinking Civil Society: Toward Democratic Consolidation." *Journal of Democracy* 5 (July 1994): pp-4-17.

Join with good people and you will be one of them.

Venezuelan proverb

Enabling in action

To better understand local government's enabling role, let's look at an initiative in Maracaibo, Venezuela. By collaborating with several private companies and community organisations, the city was able to provide health services to the poor when it was suddenly mandated that responsibility.

Enabling in Maracaibo, Venezuela

When Venezuela decentralised its governing process in 1993, the responsibility for health care was transferred to local governments. While the newly elected governing body

of the city established health care services to the poor as one of its highest priorities, it was faced with budget constraints. As a result, the council adopted an idea from two local physicians who recommended the city establish mobile clinics.

With the assistance of several private companies and various community organisations, the municipality was able to establish mobile clinics and consequently provide health care on a regular basis to these isolated communities within the city. For example, a petroleum company provided gasoline for the mobile clinics at a discounted rate; a large corporation underwrote preventative education in oral hygiene; and the Association of Neighbourhoods served as a link between the health teams and local citizens. By enabling others in the community to get involved in primary health care to the poor, the municipality was able to resolve a service obligation brought on by decentralisation.

76 UN-HABITAT, Department of International Development, and The Development Planning Unit University College London, *Implementing the Habitat Agenda in Search of Urban Sustainability*. 2001, p. 104.

There are two ways of spreading light: To be the candle or the mirror that reflects it.

Edith Wharton, 20th Century American novelist

The enabling power of information and ideas

One of the most effective ways to enable others is to stimulate the flow of ideas and information from the bottom up, top down, and all around.

Information and ideas are important sources

of political power. While we have talked about the communicating competency in an earlier chapter, it was directed mostly to the process of communicating from the perspective of the elected official and the governing body. Now we want to take a look at some ways to communicate information and ideas from the citizen perspective, from the bottom up.

77 Fiszbein, Ariel and Pamela Lowden, *Working Together for a Change*, (Washington, DC, The World Bank, 1999), pp. 106-8.

Public deliberation

Public deliberation is the process of learning and reasoning together around a public issue of shared concern. The process has become more organised in recent years, thanks to organisations like the Kettering Foundation through their programme Making Choices Together.

Public deliberations are not public debates where those involved take opposite sides on an issue and do verbal battle. As the Kettering Foundation reminds those who have participated in hundreds of public deliberations sponsored by their organisation:

Deliberation is different. It is neither a partisan argument where opposing sides try to win nor a casual conversation conducted with polite civility. Public deliberation is a means by which citizens make tough choices about basic purposes and directions for their communities and their country. It is a way of reasoning and talking together.

It is important to frame any public deliberation in terms of three or four options for dealing with an issue, never just two polar

alternatives. Otherwise they can quickly turn into debates between those who are for one of the alternatives and against the other. To deliberate is also to weigh the consequences and costs of various options based on what is important to those deliberating.

78 *Making Choices Together: The Power of Public Deliberation*. (Dayton, Ohio, USA, Kettering Foundation, 2002), p. 10. For more information log on to their website: www.kettering.org

Public deliberations can be initiated by just about any concerned man or woman or organisation, involve from a few individuals to several hundred, be held in the corner of the local library or a public auditorium, last from two to three hours in single or multiple timeframe, and be moderated or not, although using a moderator is strongly suggested.

The Foundation provides an example of a grassroots-type deliberation. A neighbourhood had a terrible mosquito problem. They also had a neighbourhood association and a neighbour who knew something about the public deliberation process. This individual gathered information from other communities about how they controlled mosquitoes and produced a little booklet called *Those Pesky Mosquitoes* which outlined the three most common approaches to the problem. He organised a meeting room and sent out a letter inviting people to attend a public forum to weigh the three options. About fifty people came and their deliberation resulted in committees being formed who in turn took actions to eliminate the mosquitoes with a minimum of environmental damage.

Those who moderate public deliberations are encouraged to follow these guidelines, to explain them to those participating, and to get agreement on them before any deliberation begins.

- The purpose of the deliberation is to work toward a decision, to try to make a choice.
- Everyone is encouraged to participate so no one will dominate.
- Listening is as important as talking.
- Participants should talk to each other, not just the moderator.
- It is important to keep the discussion on track and on the option being discussed at the time. The moderator can do this, but all participants are encouraged to perform this function.
- Participants must fairly consider every option and fully examine all the trade-offs involved in a choice. A diversity of views is essential.

79 *Making Choices Together*, p. 24.

Before bringing such a public deliberation to a close, it is usually a good idea to reflect on what has been accomplished.

Study circles

Study circles are largely an enabling process of small group deliberation that is voluntary and participatory. Typically, study circle programmes are initiated out of concern about an issue of community-wide interest. In most communities, one organisation takes the lead and approaches other key organisations to build a sponsoring coalition.

The small study circles can be formed at the neighbourhood level with the results of these deliberations being shared in larger forums where the ideas and priorities for action are brought together for further discussion. These series of dialogues can ultimately involve a widening circle of participants.

The most impressive aspect of this process is the potential to engage a large number of citizens in community-wide dialogues in very small groups on a common issue that has defied resolution within the larger community.

While Study Circles are largely an enabling process used in the United States, we encourage you to think about them as a potential resource for your own communities. The concept took shape when a small foundation in a small community in Connecticut established a resource centre in 1989 to promote public deliberation on important social and political issues. Since that time they have become a national force in promoting public dialogues at the local level. You can learn more about the study circle approach through their web site: www.studycircles.org.

80 *These good ideas about deliberation were taken from Making Choices Together*, p. 27-30.

81 *A Guide for Training Study Circle Facilitators* (Pomfret, Connecticut, USA, Study Circles Resource Centre, 1998), p.14.

Focus Groups

The focus group is another tool for getting useful information, feedback, and ideas from local citizens and representatives of particular interests and groups within your community.

While the process is often associated with customer service evaluation within the private sector, it is an excellent tool to put in your enabling toolkit.

Focus group discussions can help you as an individual elected official or as a governing body receive valuable feedback from constituents while reassuring them that their opinions are valued and taken seriously.

What is a focus group? A focus group is an informal gathering of men and/or women whose opinions are requested about a specific topic or several topics depending on your goal. The intent is to elicit perceptions, ideas, insights, and experiences from your citizens about the topic or topics. Focus groups usually include from six to twelve participants and normally last between one and two hours. Diversity may or may not be important depending on what you hope to accomplish.

How are focus groups managed? Focus group discussions are facilitated or moderated events. Someone needs to plan and manage the discussions and that person should possess facilitating competencies. This is just another reminder of how these competencies are intertwined. While it is important to prepare a list of questions or topics to be discussed, it's important not to be too prescriptive. A focus group discussion should feel free-flowing and relatively unstructured. Given this, it helps to select the venue carefully. An informal setting with a minimum of distractions where every person can see all others is important.

What does a focus group accomplish? The

purpose of focus groups is not to reach a consensus, to make other kinds of decisions or to solve problems. Rather, it is to obtain a range of opinions from the participants on the topic or topics for which the session has been convened. Since each participant's point of view is of interest and equally valued, the moderator is expected to encourage all participants to express their points of view about each topic. Remember that focus groups are used to hear what people are thinking about the topic(s) in their own words.

What makes a focus group discussion different? The interaction of the participants is important to observe as well as what they are saying. It is often the unexpected comments, or the flow of a discussion that takes it away from the intended focus of the group, that provide the most important findings.

Enabling through shared decision making

The sharing of public decision-making powers with diverse communities is a quantum leap forward in the enabling process. Here is an example of elected leaders sharing their decision-making powers with citizens.

Example

Portland, Oregon. Portland, with a population of less than 500,000, has nearly one hundred neighbourhood associations. The city government invites all of these associations and other civic groups to prepare budget proposals for service improvements and new or repaired facilities in their neighbourhoods. The associations decide how they will assess their needs and many

hold public hearings and conduct citizen surveys. The city's Office of Neighbourhood Associations forwards these proposals to the proper city departments for consideration. Of the several hundred need reports submitted annually, over forty percent have been funded over the more than thirty years the neighbourhood associations have been in operation. Some neighbourhoods have also created their own funding mechanisms for local development.⁸³

82 Children and Young People's Participatory Budget in Barra Mansa, Implementing the Habitat Agenda In Search of Urban Sustainability, (London, The Development Planning Unit University College London, 2001), pp. 174-5.

83 Epstein, Paul D. Using Performance Measurement in Local Government, (New York, National Civic League Press, 1998), p. 150.

Be the change you want to see in the world.

Gandhi, 20th century Indian National leader

Forming partnerships

John Bryson and Barbara Crosby remind us in their book *Leadership for the Common Good* that we live in a world where no one is in charge. They are talking about the kinds of problems that often outstretch the ability of local governments to cope with them successfully.

Bryson and Crosby are advocating a shared-power approach.

“Organisations and institutions that share objectives must also partly share resources and authority in order to achieve their collective goals.”

84 Bryson, John and Barbara C. Crosby, Leadership for the Common Good, (San Francisco, Jossey-Bass Publishing, 1992), p. 4.

Potential civil society - local government partnership roles

A consortium of international organisations produced an excellent publication on building public-private partnerships entitled *Focusing Partnerships: A Sourcebook for Municipal Capacity Building in Public-Private Partnerships*. Here are some of the many service roles they believe non-governmental organisations can perform in partnership with local governments.

- Project formulation and development.
- Capacity building.
- Community interface.

86 Plummer, Janelle and contributing others, Focusing Partnerships A Sourcebook for Municipal Capacity Building in Public-Private Partnerships (London. Earthscan Publications, 2002), pp. 93-5.

How to build local government-civil society partnerships

Partnerships for local governments involve joining other institutions, groups, or individuals to accomplish mutually beneficial goals and objectives. These partnerships can be as diverse as:

- Establishing joint ventures between a local government operating department and neighbourhood organisations. For example, in India, it is common to return 50% of the cost of collecting garbage back to neighbourhoods for their involvement in providing the service.

- Working with local religious organisations to provide shelter for the homeless.
- Establishing neighbourhood watch programmes to help police provide security in high-risk areas of the municipality.
- Divesting of certain public services where it becomes obvious that civil society organisations can manage them more effectively and efficiently.

We suspect that you can add many more examples from your own experience.

The key elements of a local government-civil society partnership should include:

- clarifying realistic objectives;
- defining the basic principles of the partnership;
- establishing the programme of change;
- defining the scope and functions of the arrangement;
- identifying the key partners, their roles and relationships;
- defining levels of service and how the poor will be the focus;
- identifying the potential financing mechanisms;
- establishing the legal and regulatory framework; and
- identifying the major risks.

87 Plummer, Janelle, p.291.

Delegating

Delegating is an important enabling strategy, but it is more often associated with managerial discretion. While we will cover this enabling strategy in the Institution Building competency chapter, we believe the principles of delegation apply to many partnering relationships. Basically, delegation is providing others with the authority, responsibility, and freedom to operate on your behalf. It is recognition that they have the skills and will to act.

Networking

Networking is a process that ignores some of the attributes of more formal, bureaucratic systems of decision making and problem solving. Networking suggests an ever-widening knowledge of community resources that can be tapped to solve problems.

For example, you learned just the other day that the local brick factory is willing to make its truck available on Saturdays at no cost to haul building materials to one of the low-income areas in your city.

You also heard that a building is being torn down in another part of town and some of the building materials that are destined for the sanitary landfill could be salvaged.

There's a local women's group in your community that has made a commitment to build a women's shelter but lacks many of the building materials to follow through on their commitment. You get in touch

with the women's group, they call the brick factory to arrange for the truck and send one of their members to the deconstruction site to keep the materials from being hauled away.

Now, that's networking.

Two qualities characterize the networking process: spontaneity and freedom. Spontaneity is the willingness of individuals to reach out at any time under almost any circumstance to help those in need. Freedom, on the other hand, is the will and the ability to take action, to redefine institutional and programme boundaries to help them be more responsive, and to share power, influence, and access to resources in a collaborative, non-threatening manner.

Trust

In the very beginning of this discussion we mentioned that enabling is based on two fundamental commitments: 1) fostering collaboration by promoting cooperative goals and building trust, and 2) strengthening others by sharing power and discretion. We've provided many examples of how to fulfil these second commitment involving power and discretion but very little on the issue of trust as part of the first commitment. We believe that trust is fundamental to building partnerships and effective elected leadership.

David Carnevale in his book *Trustworthy Government* says, "Trust is faith in people, their motivations, and their capacities," and yet, we often use the term when we talk about government. "I don't trust my

government."

Trust is reciprocal. Expressions of trust beget trust; distrust engenders distrust. Trust also lives by its own rule of physics. While it degenerates rapidly, it regenerates slowly.

89 Carnevale, David, *Trustworthy Government* (San Francisco, Jossey-Bass Publishing, 1995), pp.70-4.

90 Carnevale, pp.104-1.

Accountability

To ensure that your local government doesn't forfeit its accountability to its citizens when entering into enabling ventures with organizations, groups, or even individuals, it is helpful to apply the following criteria.

- First, establish to the extent possible a mutuality of enduring trust.
- Second, be clear about the goals and objectives to be pursued and the outputs and outcomes to be achieved.
- Third, keep the lines of communications open.
- Finally, determine who will be accountable for what

91 Tony Benn, from a lecture he delivered at Nottingham, England on 18 June 1993, entitled "*The Independent Mind*."



Chapter 8: THE NEGOTIATING COMPETENCY

Introduction

Let us never negotiate out of fear, but let us never fear to negotiate. John F. Kennedy, 35th President of the United States of America

Negotiation is a process of deliberative interaction in which two or more parties with some disagreement or conflict seek to resolve their differences to their mutual satisfaction. When you work within your governing body to come to an agreement that satisfies all the various viewpoints and concerns represented by your members, you are engaged in principled negotiation.

What is negotiation?

“Back and forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed.” (Fisher and Ury)

- Negotiation involves an interdependent relationship between parties. If there is no interdependence, there is no need to negotiate.
- There is also a perceived disagreement or conflict that these interdependent parties want to resolve.
- It's a goal-oriented process. Those involved in negotiating expect results.
- Negotiation involves an exchange of something of substance for each party or the negotiation is not successful. Power, influence, and sources of information the other parties don't have are frequent visitors to the negotiating table.
- Nevertheless, all principled negotiations are based on hope and trust.

Two points for clarification

Before going any further, it is important to clarify two points that could get in the way of our discussions and your thinking about this competency. First, while negotiation is a personal competency, it is also a profession.

For example, professional negotiators are frequently employed by local governments to resolve labour-management disputes and to re-negotiate new labour contracts. While acknowledging the occasional use of the professional negotiator by your local government, we will be talking about negotiating as an important interpersonal competency that you and your elected

colleagues can use to be more effective in your representation and leadership roles.

Second, the process of negotiation is on occasion confused with mediation. Mediation is a conflict-resolution process. Typically, mediators are brought into situations where the parties involved have staked out their positions and are unable to make progress toward decisions with which they can agree and tolerate. Mediation also involves a neutral third-party man or woman or persons to the conflict.

Negotiators, on the other hand, are not neutral. They represent specific interests although hopefully they want the other party(s) to the negotiation to be satisfied with the results of the process. Mediation is covered in the facilitating competency chapter.

Negotiating and the governing process

Negotiation is an integral part of the political process, a process that involves reaching agreements on resource allocation, making decisions on who will do what within the governmental arena, and resolving disagreements among community groups. There is a fine line between conflict management and negotiation as elected-leadership competencies.

Sometimes the conflict has to be resolved or at least modified, before the parties in conflict can get to the point where they are willing to negotiate an agreeable solution to their differences. If resolving conflict is more important than reaching an agreement acceptable to all concerned, you will want to rely on the mediating skills and tactics we proposed in the Facilitating competency.

Negotiating is an important skill within local governments for many reasons. First, local

governments do not operate independently of other levels of government.

Your organisation is constantly involved in negotiating the boundaries of power and authority with government agencies, and with quasi-governmental organisations that operate within your boundaries and carry out services and programmes that often overlap with those of local government. Secondly, the need for negotiating also can involve the most basic level of the governing process, that is, reaching agreement between a citizen and the representative of local government.

An inside look at the negotiating process

Negotiating parties have both common and conflicting goals. If only conflicting goals were present, it would be impossible to negotiate. Once the parties have agreed to negotiate, they, at the very least, have that goal in common.

While it is in both parties' interest to reach agreement on an acceptable allocation of "things being valued," it is generally accepted that each party is interested in gaining as much as possible or giving up as little as necessary among those things that are valued. The negotiating process should result in as little lingering resentment as possible toward those sitting on the other side of the table.

Both parties win in the negotiating process. They see themselves as better off than they would be without negotiating, or they wouldn't come to an agreement. These "win-win" solutions are what the experts refer to as non-zero-sum situations. Win-win, non-zero-sum circumstances come about because there is more than a finite sum of things valued to be divided.

For example, each side may give up less valued "goods" for those it values more, or barter away a portion of what it values to keep the rest. What each side is looking for is a "win-win" solution where each side considers itself better off as a result of the opportunity to negotiate. In a win-win approach to negotiation, each side gets something of value from the process and the agreement. Everybody wins.

The opposite of win-win is lose-lose. A lose-lose situation would occur if the negotiating parties were negotiating from position not principles: "We need your land" "We don't want your garbage." As a result, the negotiation degenerates into a shouting match with both sides withdrawing from the process in a fit of anger and recrimination.

A more likely conclusion to the negotiating process might be what is referred to as a win-lose solution. This is where one side to the negotiation wins and the other loses. Of course, it is almost always a bittersweet victory since the winner can be certain the loser will be lurking in the shadows just waiting to get revenge.

Blowing out the other person's candle won't make yours burn any brighter.

Arabic proverb

A reflective opportunity

Before we move on, think about your own personal experiences in negotiations. Have you experienced win-win outcomes? Jot down a couple of examples to remind you of how you accomplished this ideal state of negotiation bliss.

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Now, the more difficult task. Recall a situation where the results were more in the win-lose category either to your short-term advantage or to the other person or party. What were the circumstances and consequences? Then reflect on how you might have turned this situation into a win-win for you and your negotiating partner.

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Stages in the negotiating process

More often than not, negotiation goes through certain predictable stages, whether buying a commodity in the marketplace when negotiation is expected, or coming to an agreement on a new piece of local government legislation when there are different special interests to reconcile. Design Learning, an organisation that offers training in managing conflict through negotiation, offers a direct approach to the process.

1. Clearly state your wants.
2. Hear and understand the other's wants.
3. Identify areas of agreement and differences and acknowledge both.
4. Agree on solutions that meet as many of each other's needs as possible, the real negotiation stage.
5. After implementation of the agreement, review the results to see if they still meet each other's needs.

From position to principled negotiating

The best selling book, *Getting to Yes*, by Roger Fisher and William Ury, continues to be the standard bearer for many who want to learn more about negotiating.

According to Fisher and Ury, effective negotiating should:

1. Produce a wise agreement if agreement is possible.
2. Be efficient. Conserve everyone's resources, including time.
3. Improve or at least not damage the relationship between the parties.⁹⁸

The authors go on to define a wise agreement as one which "meets the legitimate interests of each side to the extent possible, resolves conflicting interests fairly, is durable, and takes community interests into account." Their basic approach to negotiating is rather simple but obviously successful based on the credibility they enjoy. It includes four basic steps:

Step 1: Separate the people from the problem.

People: Negotiations often get sidetracked when people problems aren't separated from the substantive issues being bargained about.

When negotiators start attacking each other rather than working side by side to solve the problems that brought them together in the first place, principled negotiations can become unprincipled fast!

Step 2: Focus on interests, not positions.

Interests: We've mentioned this step before, but it's worth repeating. Don't go into negotiations with a stated position. Instead, you want to focus on your underlying interests, the benefits you want to gain through negotiating.

Step 3: Invent options for mutual gain.

Options: Before you start to focus on the final agreement with those with whom you are negotiating, spend some time inventing options that will be mutually beneficial or that will meet your needs and the needs of the party across the table.

Step 4: Insist on using objective criteria.

Criteria: Insist on basing your agreements on objective criteria.

Without these standards or measures, the agreements tend to get fuzzier and less defined the further you get from the bargaining table. Objective criteria help you and others carry out the agreements you've made in a principled manner.⁹⁹

⁹⁸ Fisher, Roger and William Ury, *Getting to Yes* (Boston, MA. Houghton Mifflin, 1981), p. 11.

⁹⁹ *Ibid*, p.12

A dissenting viewpoint

Alan Tidwell in *Conflict Resolved?* says popular books like *Getting To Yes* suffer from three shortcomings. They trivialise conflict, recommend routine methods for handling conflicts, and undervalue the role that the

situation and context play in managing conflict. He makes the point that people in conflict are often very angry and motivated by extreme emotions, even hatred.

Negotiating can be difficult

Since Tidwell alerted us to the possibility that negotiations may not be a stroll in the park, let's look at some tactics you might employ when working with difficult negotiating partners. By partners, we are talking about those on the other side of the negotiating table. We hesitate to use the word adversary since it conjures up we-they competitive relationships and most negotiation takes place in a spirit of collaboration. Nevertheless, we thought we would call your attention to the choice of words since we will now look at what to do if those you are negotiating with aren't in the partnering mood.

William Ury, the co-author of *Getting to Yes*, wrote a follow-up book which addresses some of the concerns of working with adversaries across the bargaining table that are difficult for whatever reason. He suggests a series of tactics that might be considered counterintuitive. In other words, they require us to do the opposite of what we think might work or how we might react when under attack. Rather than fighting back he recommends we try indirect actions. Encourage your adversary to reach within. Help this person to break through her own resistance barrier. It's the art of letting the other person have your way.

Ury lays out a five-step process for accomplishing this breakthrough negotiation strategy.

Step One: Don't react.

Control your combative instincts. Take a moment to consider what your best

alternative to a negotiated settlement might be. Buy time to think. Don't make on the spot decisions.

Step Two: Disarm your opponent.

Metaphorically, of course, although we remember working with a local elected body in a remote rural area and a gun fell out of the mayor's briefcase. Ironically, they were involved in a team-building session. Help your opponent calm down. How? Dust off your finest communicating skill. Listen actively, paraphrase, acknowledge your opponent's feelings, agree when you can, and express your views in a non-confrontational manner.

Step Three: Change the game.

Try to move back to mutual interests, re-frame the issues, and ask problem-solving questions. Why is always appropriate as long as it isn't said in an accusatory tone of voice.

Step Four: Make it easy to say yes.

Sun-tzu, the 4th century B.C. Chinese philosopher, must have been a masterful negotiator. One of his more memorable proverbial thoughts is - build your adversary a golden bridge to retreat across. Equally important to this discussion is this less known Sun-tzu strategy:

Be extremely subtle, even to the point of formlessness. Be extremely mysterious, even to the point of soundlessness. Thereby you can be the director of your opponent's fate.

In less poetic fashion, you need to start from where your adversaries are, not from where you would like them to be. They may be overwhelmed, fearful of failure, or concerned about losing face with those they represent.

As crazy as it might sound, help them deal with these unspoken concerns.

Step Five: Make it hard to say no.

Help to get the negotiations back on track.

Look at the consequences of walking away at this point and of failing. Fisher and Ury talk about the concept of BATNA, meaning the best alternative to a negotiated agreement. In other words, what would be your last offer? This may be the time to put it on the table.

Ashes fly back in the face of those who throw them. Yoruba proverb, West Africa

Negotiating from the high ground

We want to throw in another perspective on this competency, one proposed by the organisation specialist Peter Block. In his book, *The Empowered Manager*, Block advocates the use of positive political skills to be more effective as a manager. He puts the negotiation process into the context of building coalitions and support for your vision, whatever that might be. The critical variables in the negotiation process, according to Block, are agreement and trust. 103

Block elevates the importance of the negotiating competency to a much higher level than just negotiating everyday agreements. 102 Susskind, Lawrence and Patrick Field, Dealing With an Angry Public (New York, The Free Press, 1996).P.228.

103 Block, Peter, *The Empowered Manager (San Francisco, CA, Jossey Bass, 1987), p. 152.*

How you manage the agreement and trust variables depends on the quality of the relationships. Block describes five different scenarios and strategies for managing each.

1. When working with those whom you consider allies, i.e., those who share your vision and concur with your strategies, you operate from the high-agreement/high-trust quadrant. You:

- Affirm agreement on the vision and specific tasks you plan to pursue.
- Reaffirm the quality of the relationship. Don't take the relationship for granted. Check it out.
- Acknowledge any doubts or vulnerabilities about the vision and tasks to be undertaken. Level with them on the status of adversaries and your own mistakes along the way.
- Ask for advice and support. Your allies can help you evaluate your perceptions of the conditions surrounding your relationship and provide information on where others stand in the community regarding your vision and goals.

2. When negotiating with opponents with whom you have an honest, high-trusting relationship but who disagree with your purpose, direction, or goals, Block suggests the following steps in the negotiating process.

- Reaffirm the quality of the relationship and the trust that makes it secure. What you need from them is the truth, and you can trust them to be honest.
- State your position. This means the vision and the purpose as well as the specifics of goals and strategies you plan to employ.
- State in a neutral way what you think their position is. You know they

are opponents, and it's important at this point to understand their position. Seek out the areas of disagreement so they feel understood and acknowledged.

- Engage in problem solving to the extent possible recognizing that these are not adversaries but simply people with a different position than you have. Your task is to embrace them and to gain and understand their divergent points of view.
3. When negotiating with those Block calls bedfellows, those who agree with you on how to proceed on a project or other joint venture but with whom you share a low level of trust, the negotiation strategy is as follows.
- Reaffirm any agreements you have with them. Acknowledge their support for the substance of the joint activities.
 - Acknowledge the caution that exists in your relationship and the reservations you have about a relationship where there is a low level of trust between you. Acknowledge your own contributions to the difficulty of the relationship.
 - Be clear about what you want from these bedfellow partners in working together. This may involve keeping you informed on what is happening and being upfront about any problems in working together.
 - Ask them to do the same. What do they want from you in the working relationship? Seek out their disappointments and reservations about working together. Help them feel understood. This is a

difficult relationship since it lacks trust but is worth working on.

- Try to reach agreement as to how you will work together. It occurs to us that this is often the type of relationship that exists in a highly politicised environment. It may be with those colleagues on the governing body who represent different political parties. In the battle to be elected, you have destroyed any semblance of trust among you.
- 4. The next category of negotiating partners is those Block calls fence sitters. They fall into the low trust and unknown agreement categories. They are those who simply won't take a stand on anything. They doubt, review everything endlessly, rely on rules and regulations, and deal in contingencies. Basically, they are bureaucrats. The strategy is to smoke them out, to find out where they stand if possible, and to encourage them to take a stand. This is not an easy set of tasks. Block suggests the following in negotiating with those who dwell on the fence.
- State your position, i.e. vision, goals, and purposes, i.e., where you plan to go in reference to the big picture and the programme details.
- Ask them where they stand. Encourage them to take a stand without imposing your judgement.
- Apply gentle pressure even though you can expect that they will want to collect more information, touch base with more colleagues, and do what good fence sitters do. Nurture them.

- Encourage them to think about the issue or whatever it is that you are negotiating with them about. Encourage them to let you know what it will take to get their support. Frankly, they don't deserve a lot of your energy, but they may help you understand any caution you might be feeling as you attempt to move ahead.

5. The final group of potential negotiating partners are your adversaries. These are those with whom you have both low agreement and low trust. These are those who fall into your relationships of last resort category. They have become adversaries only when your efforts to negotiate agreements and trust with them have failed. Most often, your adversaries have their vision, they are going to pursue it, and there is little you can do about it. The more you might try to convert them or win them over to your side, the more they dig in their heels. In negotiating with adversaries, Block has the following advice.

- State your vision. You want your adversaries to be clear about what you want to do and why.
- State in a neutral way your best understanding of their position. Communicate understanding, ^{not} agreement. This is hard to do, but it builds character.
- State your own contribution to the problem. It sounds a bit weird, and it won't win any support from your adversaries. To do otherwise can be manipulative. And, it might persuade those third-party bystanders to join you down the road.

- End the meeting with your plans and no demand. This represents a letting go of your adversaries, meaning you expect nothing from them. The good news: adversaries help you define who you are. 104

We have spent considerable time outlining Peter Block's negotiating strategies for two reasons. We believe they reflect more accurately the kinds of negotiating situations that you find yourself in as an elected official. They also take you above the negotiating tactics that are so often found in the literature. Block's approach from the perspectives of agreement and trust is more strategic and more congruent with political leadership needs and expectations regarding this competency.

Wisdom is merely knowing what to do next.

South African proverb

104 Block, *The Empowered Manager*, Ch. 5, pp. 137-60. We have drawn heavily from Peter Block's well of wisdom. We appreciate his insights and indulgence in letting us poach so many good ideas for this chapter.

Negotiation and culture

It is best for those who use these materials either as a learning facilitator or an urban leader to think about their appropriateness in the culture where they are being used. Sometimes materials that seem to be inappropriate can be effective learning tools by casting the light of scrutiny on them and asking those ever important questions, Why? and Why not?

The negotiation competency and gender

We want to conclude this discussion of the negotiating competency by focusing on

gender as both an issue and an opportunity. Gender is an issue because a gender analysis demonstrates how men and women negotiate differently. It's an issue because many men believe that women are not very effective negotiators. However, there is increasing evidence that women often model the kind of behaviour that contemporary schools of thought about negotiating promote as being most effective.

105 Tidwell, p. 7.

For women urban leaders, it is important to learn how to ask, remembering that research shows that too many women just don't ask. When you don't ask, more often than not you are denied what those who do ask get.

There are always dual goals in the negotiating process—issue related goals and relationship goals. If we can believe research results, men are generally better in addressing the issue-related goals in the negotiation process while women are better at achieving the relationship goals.

Given these differences, it makes sense to put together a mixed gender negotiating team when the negotiations involve the governing body or the local government. As the authors of *Women Don't Ask* state, "Women have some advantages that can help them outshine men at negotiating.

Although the more aggressive approach favoured by many men can win good short-term results, women's focus on cooperation and relationship building can be a huge advantage."¹⁰⁸

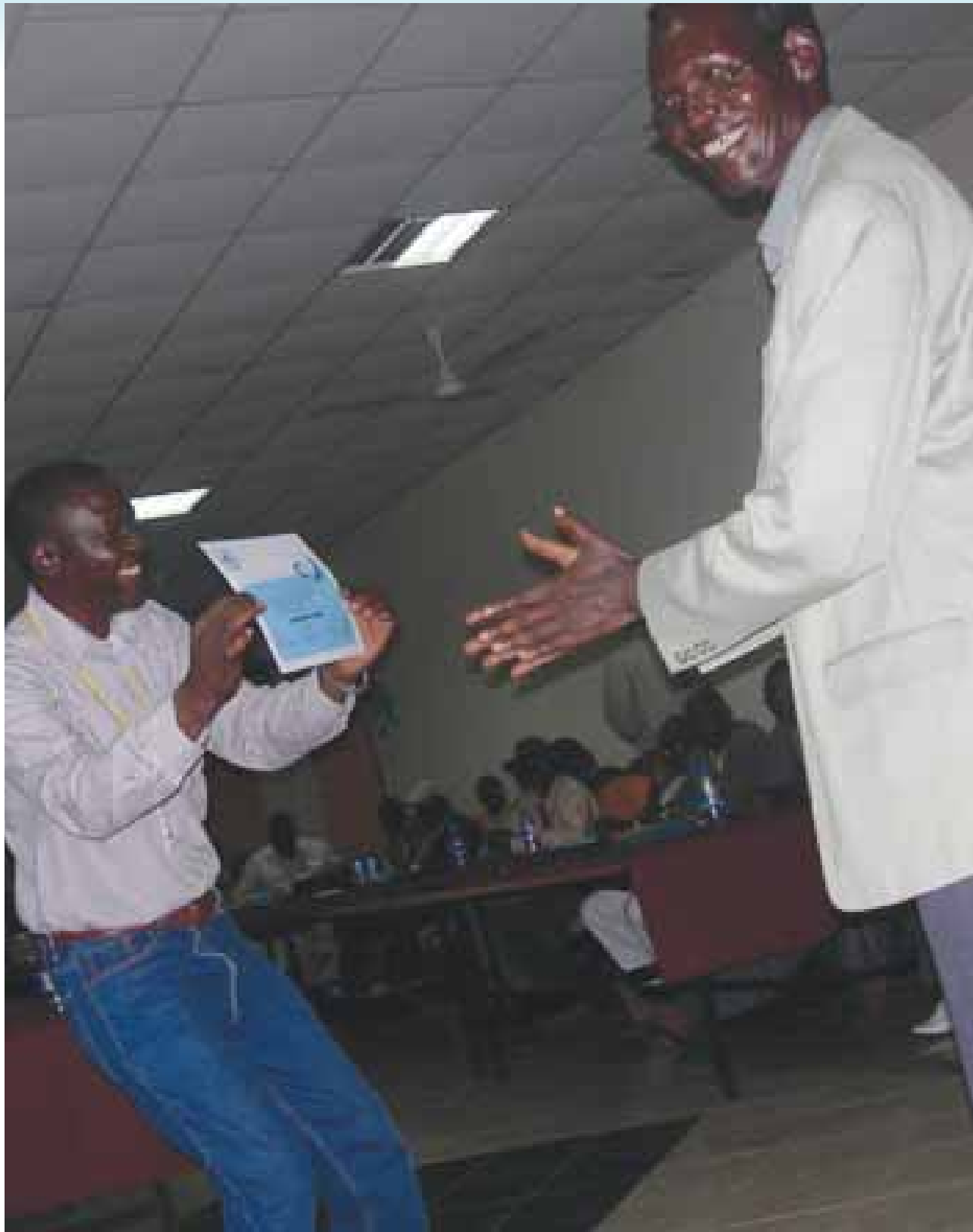
You have to have confidence in your ability, and then to be tough enough to follow through.

Rosalynn Carter

107 Ibid, p. 23.

108 Ibid, p. 165.

Negotiation is an important competency, not just for individual elected officials but for the governing body as a deliberative forum for the local government and its citizens. For example, it is common in many local government organizations to enter into formal negotiations to resolve labour-management conditions and differences. It is a complex competency to master, influenced by many factors including culture and gender. Mastering the negotiation competency will make you a stronger and more effective urban leader.



Chapter 9: THE FINANCING COMPETENCY

The financing competency is defined as making decisions about raising, allocating, and expending public funds. Financing is also one of the most traditional competencies that urban leaders are expected to have and use in their leadership role. At the heart of this competency is the ability to understand and bring leadership to the annual budgeting process. This is the time when elected officials decide what is important to the community and how many resources they are prepared to allocate to these priorities. Passing the annual budget is probably the single most time-consuming task undertaken by urban leaders during the year.

The financing competency also involves knowledge about and skills in short-term and long-range financial planning; exploring cost-sharing opportunities with other local governments, citizens, and the private/NGO sectors of the community; assuring that performance reviews of major revenue and expenditure categories are conducted periodically and professionally; tracking various trends that could have major impact on the financial health of your local government and community; assuring openness and transparency in all financial matters; and leveraging public assets to foster economic development.

It goes without saying that your financing competencies should be grounded in the good governance principles of openness and transparency. While these two fundamental principles don't diminish the value of the other benchmarks of expected elected leadership behaviour, they provide the standard by which all others will be judged.

Let's look at the other good governance principles as they relate to the financing competency.

- **Respect for the rule of law:** All public financial transactions must be lawful. There should be no variations from this principle.
- **Sustainability:** For example, don't fund programmes that can't be continued for their intended life. Don't buy equipment or build facilities that you can't maintain.
- **Equity and inclusiveness:** Have you considered the needs of all your citizens in the location of public facilities, the budgeting for new employees, the allocation of maintenance funds, and the enforcement of policies and laws?
- **Effectiveness and efficiency:** We have described these terms in other chapters in the following manner. Effectiveness is doing the right things. Efficiency is doing things right.

Accountability:

This principle is also at the heart of the financing competency. Part of this principle is embedded in the financial systems that are designed to provide oversight and, yes, accountability. We will be discussing these in more depth in the Overseeing competency chapter.

Participation:

Citizens are demanding more involvement in the planning and allocation of their

resources and elected officials are seeing the wisdom of involving them.

Leadership is the capacity to exploit connections that others rarely see.

Floradale proverb

Financing and other competencies

The financing competency has some very strong ties to several other competencies in this series. The overseeing competency is obvious. Your financial ability to allocate scarce resources is perhaps your most important use of your legitimate power. The policy-making and decision-making competencies are also key to the ability to use the financing competencies effectively.

As for enabling others in the community to share in the governance process, your financing competencies are often the most important tool at your command. And negotiating is always a vital part of the budgeting process. While many of the connections between the various competencies explored in this series are obvious, it's important to see how they complement each other. It's when you apply these many competencies in unison that you begin to realize their ability to transform elected men and women into elected leaders.

The budget!

Balancing the budget is like going to heaven. Everyone wants to do it, but nobody wants to do what you have to do to get there. Phil Gramm, elected official 20th C American Senator If there is one single thing that defines the financing responsibilities of elected officials and the competencies required to carry them out, it's the annual budget process. While your duties and responsibilities as a local elected official are numerous, the enactment of the

annual budget is undoubtedly the most time consuming. In a series of Elected Official Chapters, published by the International City-County Management Association, the authors call the budget process the governing body's "single most important activity of the year."

It is where all the elected officials who serve the local government must work together for a common outcome; it is where decisions are made to determine which programmes are funded; it is where the working policies of the local government are set forth; it is the management blueprint for department heads to use in providing services; it is the standard for defining future performance; and it communicates your goals and decisions to many groups, including your constituents, the business community, outside vendors, and credit rating agencies.

It is important for you and your elected colleagues to ask some fundamental questions about the way your budgeting process is managed. For starters, we suggest the following:

1. Are you, your elected colleagues, the local government staff, and citizens getting the kinds of timely information and data needed to make enlightened decisions about the allocation and management of your local government's fiscal resources?
2. Does the process assure an open, transparent, and participatory process of fiscal management and development?
3. Are you exploring alternative ways to deliver local programmes and services that would be more cost effective while improving the level of service to all the diverse citizens of your municipality?
4. Has your local government optimized its

potential for revenue generation and cost containment?

Putting the budget into perspective

The single most important output of the financial management process is reliable information. Without reliable information, elected men and women can't make good decisions and managers can't manage efficiently and effectively. In order to get reliable information, the municipal organisation needs to establish a number of data collection and analysis systems and procedures. These systems and procedures, when interconnected, form what some would call an integrated financial information system. At the heart of this system are financial accounting and management analysis. Flowing into these nerve centres are a series of critical inputs, some continuous and others cyclical, based on the fiscal calendar of events. They can be broken into four distinct categories:

- Goals and objectives - Encompassing reviews of community needs and past performance and the establishment of priorities;
- Planning and budgeting - Including multi-year planning, revenue forecasting, and budget preparation and adoption;
- Reporting and monitoring - Comparing planned and actual spending, monitoring programme and service performance, and taking corrective action where warranted; and
- Evaluation - Carrying out financial and performance audits and programme evaluations.

The first category establishing goals and objectives, is closely associated with the

policy-making competency in Chapter Seven while evaluation is covered in the next chapter on the overseeing competency. We will also be looking in some depth at some of the financial policy issues a bit later, but for now we want to focus on a couple of budgeting issues that seem to be troublesome in many local governments.

Within the planning and budgeting phase of the integrated financial information system are two issues that seem to affect many local governments, particularly those in developing and transitional countries.

They are (a) capital investment/multi-year planning and (b) the real costs of operation and maintenance. Capital investments often ignore community priorities for basic services while maintenance is given short shrift in many local government budgets.

Capital investment planning.

Before you buy shoes, measure your feet.

West African proverb

A capital investment is an expenditure of funds for a community improvement that

- Is relatively expensive;
- Doesn't occur annually;
- Will last a long time;
- Results in a fixed asset; and
- Results in the recurrent costs of operations and maintenance.

While this kind of information and data may seem difficult to come by, it is critical to your ability to make sound decisions around these long-term, high-cost investments. Few local governments have the resources to undertake all the possible capital projects that are needed within the community.

Relying on “political instincts” to develop your long-range capital improvement plans and investments is simply not adequate.

Once you are into the final stages of decision making on your capital budget, it’s time to stop and ask the following questions:

1. Can we afford this investment?
2. Will it serve the people with the greatest need?
3. Does the project have widespread community support?
4. Will the benefits, over time, outweigh the costs?
5. Will we be able to operate and maintain the project after it is complete?
6. Could others, perhaps the private sector, be persuaded to undertake the investment so we can allocate our scarce resources to other needed projects?
7. Is the project justifiable given all of our community’s needs and concerns?
8. Will it improve the financial condition of our local government?
9. Does it fit into our overall physical development plan?
10. Is it compatible with other major local government capital investments?
11. If we don’t fund and carry out the project, can we live with the consequences?

A reflective opportunity

How does your governing body go about making decisions on capital investments? Think about the last major capital project your local government undertook. Was it

really needed? Was the investment financially sound? Do the benefits justify the costs? Does your government have the resources, both technical and financial, to maintain the project?

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Operations and maintenance

It’s no use starving the horse to fatten the mule.

Korean proverb

The other issue raised earlier along with capital investments was the importance of funding the ongoing operation and maintenance of equipment and capital investments. The routine maintenance of equipment and physical investments is a frequently forgotten item in many local government operating budgets. To prove our point, here are some poignant examples we’ve encountered along the way to writing this chapter.

- An agricultural training centre was funded by one of the major bilateral development agencies and opened its doors for business. It involved several attractive buildings that were

equipped to accommodate a staff of about twenty professional and support personnel. It was in a location that could benefit from its operation. Eleven years later, one of the authors had an opportunity to visit the centre. The director and his staff were still waiting to get an increase in operating funds so they could launch their first programme!

- A major newspaper in a South Asian country carried a story announcing that the president had officiated at the opening of a new “state-of-the art” water plant in a major city not far from the capital.

Three weeks later, the same paper had a front page story reporting that the plant had to be closed down until spare parts and technical assistance could be obtained from the donor country.

This space is reserved for your favourite non-maintenance disaster story

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Random thoughts on operations, maintenance, and budgeting.

Let’s look at some of the factors that contribute to the dismal record of non-achievement in the local-government.

- It is difficult to get spare parts for many of the mechanical devices that are used in many of these OM endeavours.
 Don’t put into operation something you can’t keep in operation.

- Your local government doesn’t have the skills to operate and maintain a new capital investment.

If the equipment is donor given, make adequate training in both the operation and maintenance of the equipment a given before you accept it.

- Don’t accept capital investment gifts that are inappropriate to your needs.

Effective maintenance can be the most cost-effective investments you make in your government’s efforts to serve the community. And the lack of maintenance can be very, very expensive!

A reflective opportunity

Because operation and maintenance functions are so important to effective governance, we suggest you stop for a few moments and reflect on your government’s policies regarding them.

What are your most serious maintenance problems: streets; water, sewerage, and other plant facilities; vehicles; public buildings; or all the above? Jot down those you think are most neglected.

There are several financial condition factors you can monitor to keep on top of your local government's fiscal well-being.

What are the consequences of these circumstances? And what can you as an individual elected official do about it?

the ability of your local government to pay its own way on a continuing basis. More specifically, it is your ability to (a) maintain service levels, (b) weather economic disruptions, and, (c) meet the demands of economic growth, decline, and change. There are several financial condition factors you can monitor to keep on top of your local government's fiscal well-being. We suggest you look at these factors before you get too deeply into the formulation of your annual budget. They could save you valuable time and fewer headaches down the road. First, some questions you might want to ask regarding your local government's revenue sources.

If there is no oil in the lamp, the wick is wasted.

Cambodian proverb

Revenue indicators

1. Are some of your dependable revenue bases deteriorating? Have overall revenues per capita been decreasing over time?
2. Are there internal procedures or legislative policies in place that are adversely affecting your revenue yields?
3. Is your local government overly dependent on outside sources of income, e.g., grants from the national government or donor-assisted programmes that will dry up in the future?

The other major financial category of events that needs your attention as an urban leader particularly at budget time is expenditures.

4. If you have a property tax, are you experiencing a decline in revenue from this source? Have the property assessments been updated recently to reflect current market values?
5. Is the amount of unpaid taxes and accounts receivable from service fees and charges unusually high or increasing?
6. Has your local government been dependent on one-time revenue sources, such as loans, intergovernmental transfers, or use of reserves?
7. Are user fees declining in relation to related expenditures? For example, are market revenues going down while the costs of operating and maintaining the markets are increasing?
8. Have your local government's fees and charges for service been adjusted to reflect such factors as inflation and increasing costs of operation?
9. Is the demographic or economic nature of your community changing in such a way that it will adversely affect your ability to raise revenue in the near future, e.g., increasing numbers of older citizens in relation to the rest of the population or loss of industrial jobs?
10. Are you experiencing revenue shortfalls? They may indicate a deterioration in your government's financial condition.

See before you spend how you can save.

Floradale proverb

Expenditure indicators

The other major financial category of events that needs your attention as an urban leader particularly at budget time is expenditures. Ideally, your municipality should not have an expenditure growth rate that exceeds its revenue growth rate.

Here are some of the more important questions to be asking about the expenditures in the annual budget.

1. Is your local government experiencing an increase in expenditures per capita that exceeds your revenue increase per capita? If so, can you pinpoint the areas of cost increase?
2. Have you experienced an increase in the number of employees per capita?
3. Is personnel productivity declining?
4. Do you have "ghost workers" on the payroll? Some municipalities have sizeable numbers of people on their payrolls who never show up for work, are on more than one department's payroll, or died a few years back and still collect a pay check.
4. Are fixed, or "mandatory," costs increasing as a percentage of net operating expenditures? These are costs like debt service, pension benefits, and long-term lease agreements.
5. Are fringe-benefit costs increasing as a percentage of salaries and wages? Some local governments, for example, allow employees to accumulate years of unused leave time which puts a burden on future governing bodies.
6. Do you have ineffective budget

controls that allow expenditures to creep up without anyone being aware or that allow over-expenditures in certain categories to go unchecked?

7. Is your local government ignoring its responsibilities for maintenance? If so, this could have serious future consequences, both in terms of costs and quality of service.

Other significant indicators to consider

1. Do you balance your budget on a current basis?
2. Do you maintain reserves for emergencies?
3. Does your local government have enough cash flow to pay its bills on time?
4. If your local government has established quasi-public enterprises to operate certain services such as water or sewerage facilities, are they running deficits?
5. Is your financial staff manipulating your “books” to make your financial condition look rosier than it is?

It could include such creative accounting manoeuvres as postponing current obligations to future budgets and accruing revenues from the next fiscal year into the present.

A few pointers on reading financial statements

Concentrate initially on a few of the BIG indicators of the financial healthiness of your local authority. Are overall revenues meeting the projections made at budget time? To understand this part of the picture, you will need periodic projections of specific revenue sources. These projections are important because some revenue sources are unevenly

Concentrate initially on a few of the BIG indicators of the financial healthiness of your local authority. Are overall revenues meeting the projections made at budget time?

collected during the budget period. For example, achieving fifty percent of the total projected annual revenue by the end of the second quarter may be misleading if the total amount of that specific source was due to be collected during the first half of the year.

The same goes for tracking expenditures. Are they being maintained within the limits set by the total annual budget, and are they in keeping with the monthly projections made by your staff. If not, it's time to ask some pointed questions to specific staff members who are accountable for managing the finances for your local government.

Look at the revenue sources. Are some so small that it costs more to collect them than what they generate in revenue. This is not an unusual experience. If you have such unproductive revenue sources either eliminate them or increase their potential, if possible.

The same is true of expenditures. Do you have expenses that seem to be unusually high in relation to all others for no apparent reason? If so, it's time to ask an explanation from those who are responsible for them.

Apply Pareto's Rule. Simply put, Pareto said that, in general, eighty percent of revenue

Another financial indicator to review is cash flow. Is the cash flow sufficient to cover ongoing expenditures? If not, what can you do about it?

(orexpenditures come from twenty percent of the sources or categories. Because this tends to be the case, it is generally more efficient and effective to focus on the twenty percent of revenue sources that are generating eighty percent of your funds, if you want to raise more revenue or to cut the twenty percent cost categories that are consuming eighty percent of your budget.

Another financial indicator to review is cash flow. Is the cash flow sufficient to cover ongoing expenditures? If not, what can you do about it? Can you slow down expenditures by postponing certain costs or speed up those revenue sources that may have such flexibility? For example, can business license fees be collected earlier in the year?

Just as important as cash flow is the potential for periodic or ongoing surpluses. If your local government is generating a cash-flow surplus, are you investing it in approved sources? Investing idle funds is an easy source of revenue.

After you have looked at the “big ticket” items, it is time to focus on some of the more obvious sources of financial understanding. Are there wide swings in the income or expenses being experienced in specific categories? For example, have market

revenues dropped rapidly in the past month or quarter? If so, and there seems to be no acceptable reason for this, find out why. The same is true of expenditures. For example, has the cost of fuel jumped unexpectedly in recent months? If it has, find out why.

There aren't any embarrassing questions, only embarrassing answers.

Floradale proverb

There are three financing competencies that cut across both budget processes. These are citizen participation, policy making, and financial planning. In addition to all these financing competencies that you as an elected official need to be aware of and in varying degrees to be skilled in applying, there are some others that you need to be assured are in place as part of your local government's financial management system. These are an accounting process that provides on-going management and oversight information, a cash management system, a process for managing fixed assets like structures and land, public procurement procedures, and grant management capabilities.

Fortunately, urban leaders don't have to be skilled in all of these areas. Nevertheless, you need to know enough about them to ask the right kinds of questions of your management staff.

To help you and your staff become more knowledgeable and skilled in all of these financial competencies, UN-HABITAT has developed a new series of training materials on local government financial management (LGM). Check out their web-site for more details. We conclude this discussion with a look at two important financial management responsibilities, namely the policy-making and enabling competencies.

Financial policies

Financial policies describe the principles and goals that guide your financial management practices. They influence and guide your decision making on financial matters. They help you and your staff in the development of strategies to achieve your goals.

They also provide the standards by which you monitor your local government's performance. In other words, policies are not just nice; they are crucial to the formulation and implementation of not only your budget but just about everything your local government does.

They cover such areas as the operating and capital budgets, accounting, auditing, revenues, debt and reserves, cash management, purchasing, and risk management.

See the Policy Making competency chapter for more on how to perform this role.

Enabling others to get involved

There are many ways to enable others in your communities to help bear the financial costs of providing programmes, services, and goods to the citizens of all ages in your communities.

While there are many financial enabling options available, the one that seems to come to mind most quickly is the creative use that local governments are making of partnerships.

One source of information about these collaborative ventures is UN-HABITAT's best practices website. We've gleaned a few interesting examples from this source just to indicate how diverse this resource is for making your public funds go further.

While there are many financial enabling options available, the one that seems to come to mind most quickly is the creative use that local governments are making of partnerships.

- In Ouagadougou, Burkina Faso, the municipal government has devised one of the most creative and unusual partnership efforts we have heard about thus far. With ten percent or more of its population of slightly over one million engaged in informal sector activities, the installation of temporary shelters and businesses was creating enormous traffic, health, and public safety problems. Among the most serious challenges was the need to provide safely guarantees for road users who were impeded in their movement by the lawless occupation of public right of ways.

Working with informal sector traders and other stakeholders, the city offered traders secure land tenure and assurance of stability if they would build permanent shops lining these key right-of-ways. This resulted in the initial construction of 365 modern street shops. This initiative not only helped alleviate several serious public concerns; it helped to revitalise the informal sector.

- The City of Palpala, Argentina suffered a severe economic blow when the state-owned steel mill was closed in the early 1990's. The municipality formed a number of partnerships with private cooperatives,

Certain investments in infrastructure can trigger both short term and long term gains if they are well planned and executed.

the local schools, a professional NGO, and various other community groups to support the development of nearly one hundred cooperative micro-enterprises to fill the economic void. The municipality was able to pull itself back from the brink of economic disaster by pooling their resources and pulling together.

A reflective opportunity

Take a moment and think about the kinds of partnerships your local government is currently involved in or has been involved in during your time as an elected official. Jot them down without casting any judgement on their success now.

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Take an economist to lunch

We want to close this discussion about how you can sharpen your financial competencies by suggesting a couple of economic theories that many local governments have called upon to stretch their fiscal resources.

They are: the multiplier effect, and elasticity.

The multiplier effect occurs when something your local government has done to affect one aspect of your economic system generates a stimulating effect on another, often inadvertently. For example, and it turns out to be a valuable recreational amenity that also earns welcome concession funds that help to pay off the bond issue needed to fund the facility.

Elasticity refers to the rate of change in one thing relative to another. Or, how one thing changes when another thing changes. Local governments have long known that property taxes are relatively inelastic whereas sale taxes tend to be very elastic as the local economy ebbs and wanes. But elasticity also comes into play in local government's capital investment schemes.

Certain investments in infrastructure can trigger both short term and long term gains if they are well planned and executed. For example, long term bonds are often issued by local governments to make capital investments based on the return they will bring the local government, in both direct and indirect revenue.

Chapter 10: THE OVERSEEING COMPETENCY



Conviction is worthless unless it is converted into conduct.

Thomas Carlyle, 18th Century Scottish essayist and historian

Your overseeing responsibilities run the gamut from the perfunctory yearly audit of your local government finances to concerns about corruption within your own ranks and the institution you represent on behalf of the citizens. The budgeting process is, of course, your biggest opportunity to apply your overseeing knowledge and skills. Since we have dealt with this major overseeing responsibility in the previous chapter, it will not figure prominently in this discussion.

To paraphrase a nineteenth century Hungarian chemist,

“Overseeing is seeing what everyone has seen and thinking what nobody has thought.”

In between the two polar extremes of corruption and compliance audits we also want to discuss, policy oversight, the need to review external contractual relationships and transactions, and how these overseeing responsibilities and competencies relate to good governance principles and the other elected leadership competencies.

One of the most important books to be published about local governments recently is *Corrupt Cities, a Practical Guide to Cure and Prevention*. It is important because it defines the mechanisms that provide a fertile ground for corruption within local governments and describes practical and hard hitting ways to attack this monster that

resides within so many local governments around the world.

A reflective opportunity

When you think of your governing body’s overseeing role and responsibilities, what immediately comes to mind?

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What do you think is the most important problem your local government is currently facing that falls within the category of overseeing responsibilities of the governing body?

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back them up. Use a variety of penalties for corrupting behaviour such as transfers, publicity, loss of professional standings and privileges. When these warning shots fail, dismissal is always appropriate.

Reward good performance and behaviour.

Often corruption is encouraged by low wages and other factors that are in the hands of governing bodies and management. Pay competitive wages, reward specific actions that reduce corruption, base promotions and other incentives on performance, and involve employees in making decisions that will help to diminish opportunities for corruption.

Two cautionary notes.

When it is easy to step across the policy-administrative boundaries that define roles and responsibilities between elected officials and administrative staff. By working closely with the staff and keeping roles clear, it is possible to build overseeing procedures and systems that do not just honour individual roles and responsibilities but foster the spirit of cooperation in oversight situations.

The second cautionary note is to remind you that corruption has a tendency to grow back when vigilance is weakened.

Codes of conduct

Organisations should develop and adopt a code of conduct or code of ethics to fight corruption in their ranks. Ethics are statements of values and principles that define the purpose of your organisation. Conduct describes expected behaviour. Codes typically cover all individuals who are associated with the organisation whether elected, appointed or hired. They are effective only so long as those whom they

apply to continue to believe in their worth. Here are some broad guidelines for their development.

The governing body however shouldn't craft a code of ethics or conduct without involving all those who will be expected to live by its mandates. This widespread engagement with staff and employees as well as those men and women who serve on appointed boards and commission accomplishes at least two goals. It raises the awareness and sensitivity of all those who will be subject to its enforcement. In addition, those who have a hand in creating it will have a higher commitment to living by it.

Don't adopt some other local government's code just because it sounds impressive or as a quick fix. Instead, carve those principles and expected behaviours out of your own experience and convictions.

The language doesn't need to be fancy. It just needs to be clear about what is expected from everyone in terms of ethical norms and behaviour.

The good governance principles we have been talking about in every chapter should certainly be worked into your code in very practical ways.

Helping your organisation to develop and enforce a code of ethics or conduct is definitely part of your overseeing competencies and responsibilities.

Before we leave this aspect of the overseeing competencies, we urge you to get a copy of *Corrupt Cities*. It is available directly from the publishers, the Institute for Contemporary Studies or the World Bank Institute. Their respective websites are: www.icspress.com and www.worldbank.org/wbi.

Transparency International (TI), OECD,

and UN-HABITAT are also good sources of materials and help on corruption in local governments. UN-HABITAT has available a resource guide on Developing and Managing Professional Codes of Ethics which gives important clues about how to go about performing this part of your overseeing responsibilities. UN-HABITAT and TI have teamed up to produce *Tools to Support Transparency in Local Governance*. OECD has a number of helpful publications such as *Principles for Managing Ethics in the Public Service*. Their respective websites are: www.transparency.org, www.oecd.org, and www.unhabitat.org. Check them out frequently since new publications are constantly coming on-line to help public officials better manage these difficult challenges.

A reflective opportunity

Obviously, corruption is among the most difficult challenges that local government officials can be confronted with. Probably the first action that you can take, if there is corruption in your governing system but nothing is being done to address it, is to confront your own denial of the problem. Or if corruption is not a problem now, what would you do if it raises its ugly head in the organisation? Jot down your thoughts on what you might do under these circumstances.

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There is no need to fear the wind if your haystacks are tied down.

Irish proverb

To the other end of the overseeing spectrum

From the perspective of using your overseeing competencies, financial and compliance audits are probably at the polar extremes from dealing with corruption. These are the audits that are most often required by law.

The financial and compliance audit

This is the one audit that is most likely obligatory. While your local government's elected body might have a standing committee that has the responsibility to see that this audit is conducted periodically, the auditors must be independent of the local government. They can have no direct or indirect interest in the financial affairs of either the local government or its elected and appointed officers. These criteria get to be a bit difficult to meet in a small remote local government where financial expertise is scarce and everyone is somehow connected to everyone else.

The objectives of the financial and compliance audit are to determine if:

- the financial transactions of the organisation have been conducted according to generally accepted standards;
- these transactions have complied with appropriate statutes of the audited organisation and other public bodies that may have contributed to the financial condition of the organization through such mechanisms as grants and loans; and
- the financial reports of the local

government have been presented fairly and accurately.

Ideally, these audits should comment on the financial systems being used by the local government. For example, is there a system of internal control in place to determine the reliability of accounting data? Is there a process in place to manage cash transactions? The financial and compliance audit is primarily associated with the good governance principles of accountability, openness, and transparency.

GASB 34:

In 1999, the Government Accounting Standards Board (GASB) in the United States issued a proclamation that struck initial fear into the hearts of state and local government officials nationwide. We mention this because many local government officials in other countries have probably heard of GASB 34, as it is called, and because it set new standards of financial reporting that may be of interest to many of you.

For those interested in learning more about GASB 34, we suggest you contact the Government Finance Officers Association on their website: www.gfoa.org

Effectiveness and efficiency: The basis for audits and much more

It is not only the water but the banks which make the river.

Gandhi, 20th Century Indian nationalist leader

The principles of good governance as described the United Nations Economic and Social Commission for Asia and the Pacific include efficiency and effectiveness.

Good governance means that processes and institutions produce effective results that

meet the needs of society while making the most efficient use of resources and promoting sustainability.

These two principles of good governance can also be audited which means among other things that they should be part of your overseeing competency tool kit. Unlike the financial and compliance audit, they may not be mandated by law, but they are important and warrant your attention. To build on Gandhi's metaphor, effectiveness and efficiency are like the "banks" of the financial river. While we will describe in more precise terms what effectiveness and efficiency audits involve, these two terms deserve some discussion.

Peter Drucker defines effectiveness as doing the right things and efficiency as doing things right. In simplistic terms, effectiveness is the elected leader's primary responsibility whereas efficiency is primarily the role of the local government officers and employees.

In determining whether you are doing the right things as an elected body, you need to periodically review all local government programmes and services from two perspectives:

- Is this particular service or programme still needed by our citizens?
- If it is still needed, should the city be the producer or should someone else be producing it?

What is Good Governance? United Nations Economic and Social Commission for Asia and the Pacific,

www.unescap.org/huset/gg/governance.htm. Drucker, Peter, Management: Tasks, Responsibilities, Practices (*New York, Harper and Row, 1974*), p.45.

One could say that this latter question really gets into the realm of "doing things right."

Osborne, David and Ted Gaebler, Reinventing Government, (Reading, Massachusetts, Addison-Wesley, 1992), pp.351-2.

The efficiency audit

While this audit bears a close resemblance to a management study, it is concerned with the quality of management, the structure of the organisation and whether this needs to be altered given new operating realities and the operational performance of various programmes and services. It looks at the extent of inefficiencies and underlying causes, failures to achieve the governing body's policies and objectives, and any deviations from management directives. While such audits can be conducted by an independent body, we recommend that it be organised and conducted as a participatory venture by the management staff and employees. Efficiency audits should be done every three to five years unless major changes have taken place in the operation of the organisation or significant external conditions warrant a more frequent in-depth look.

In addition to the periodic efficiency audit that is more focused on systemic concerns in the organisation, your staff should be engaged in performance measurement activities on a routine basis.

The effectiveness audit

Effectiveness audits are designed to determine whether the desired results and benefits of your policies and programmes are being achieved, whether the objectives your governing body has established are being accomplished, and whether your local government has considered alternative ways of service delivery that might yield

better results at lower costs. Unlike the efficiency audit, that is largely management directed, these effectiveness audits should involve service users, local people and other independent parties.

As fast as laws are devised, their evasion is contrived.

German proverb

Auditing can be a flawed process:

Audits are the most visible evidence in most local governments that the overseeing responsibilities are being taken seriously. And yet, audit reports are never firm evidence that the rule of law is alive and well in your local government.

There is an old Persian proverb that says, Trust in God, but tie your camel. To paraphrase this sage advice, Trust your auditors, but check their data and their conclusions. Better yet, find those mistakes before they do.

An overseeing checklist to consider:

The Urban Institute many years ago published a workbook on ways to improve financial management in local governments. Among the tools they included in the workbook was a checklist on auditing. With a few modernisations, here are the questions they thought were useful to ask.

A Checklist of Your Local Government's Auditing Practices Yes/No

1. Is your local government's (LG) accounting system and its records and procedures audited annually by an independent and qualified team of specialists?
2. Does your LG retain qualified auditors on the staff or on a consulting basis to

- conduct periodic in-depth reviews of the financial operations of selected activities?
3. Does your LG have an ongoing capability to conduct audits on the effectiveness of your programmes and services?
4. Does your LG have an ongoing capability to conduct audits on the efficiency of your programmes and services?
5. Has a procedure been established to respond to financial and performance audits to ensure that there is adequate feedback into the budgeting process?
6. Is a detailed written scope of work prepared in advance of each audit?
7. Do those who are preparing the budget propose areas for inclusion in financial and performance audits?
8. Does the annual independent audit provide for an assessment of the adequacy of your LG's accounting system and related internal controls?
9. Is there a capability for carrying out periodic audits of specific programmes and services when need?

Clean the pipes while it is still good weather.

Russian proverb

A reflective opportunity

Think about your own local government's auditing practices. Are they adequate? Are the reports taken seriously by the governing body? What could be done to make audits of the kind just discussed a more important part of your local government's efforts to fulfil its good governance responsibilities?

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We now want to explore some of the territory between these two ends of the overseeing continuum.

Other overseeing opportunities

Overseeing is both a policy and a state of mind.

Floradale proverb

The next part of this discussion about your overseeing competencies will cover a variety of overseeing issues and concerns that don't necessarily fit together but are important to consider as an elected official. They include niche-type audit opportunities we believe are important; ways to include citizens as overseeing watchdogs; and using communication as a proactive overseeing strategy

Niche audits:

In addition to the financial, efficiency, and effectiveness audits, consider the following more targeted investigations:

- Policy Audits:

Ask your staff to assemble the policy statements that have been adopted by your governing body over the years. Weed out those that no longer have relevance, update those that may reflect governing principles that are no longer appropriate, and look for voids in your policy-making competencies that may need to be addressed.

Hayes, Frederick, et al, Linkages: Improving Financial Management in Local Government, (Washington, DC, The Urban Institute, 1982), pp. 19-20.

- Equity and inclusiveness audits:

How do your local government's programmes and services measure up on the good governance principles of equity and inclusiveness?

- Gender Audits: A gender audit is a tool for analyzing mainstream public policy, including legislation, regulations, allocations, taxation and social projects, from the point of view of their effect on the status of women in a given society.

The purpose of gender audits is to lead to changes in public policy that contribute to gender equality and equity.

The International Labour Office (ILO) began conducting its first Gender Audit in October 2001.

You can find out more about the ILO's gender audit at: http://www.ilo.org/dyn/gender/genderresources.details?p_lang=en&p_resource_id=171

- External partnerships and venture audits:

While formal contracts with non-local government organisations should be included in the annual financial audit, often they are overlooked or excluded. This type of audit could look at the nature, extent, and quality of contracted services, public-private partnerships, and even the potential for more private sector involvement in your local government activities.

Bushell, Sue, *Covering Your Assets*, CIO, Australia's Magazine for Information Executives, January, 2004, p.21.

- Asset management audits:

As fixed assets make up a sizable percentage of every local government's portfolio of investments, it may be time to ask your management staff to conduct a fixed assets audit.

- Human resource management (HRM) audits:

Since the highest percentage of most local government budgets is allocated to personnel costs, or human resources, it's important to run inventory and maintenance audits on your local government's HRM systems. The inventory audit will tell you how many individuals are allocated to do what duties within the organization.

One African city was able to trim over one thousand employees from the payroll a few years ago as a result of such an audit. The payroll included dead people and individuals who showed up only on payday. Just as important is the need to assure that your human resources are allocated efficiently and effectively (those key words again!) to implement your governments policies, programmes, and services.

The HRM maintenance audit should look at such factors as: job performance measures; professional and skill development; reward systems including compensation, fringe benefits, promotion and advancement strategies;

- Navigational audits:

This will determine whether your local government has a clearly stated vision about what it wants to accomplish, if there is a strategic plan for fulfilling that vision, and whether there is a strategic plan which navigates to fulfil that vision. Confirm that supporting goals, objectives, and priorities

are spelled out in operational terms so achievements can be measured and those who are responsible for their implementation held accountable. If your local government doesn't know where it is going, you will never know if you are on the right track or whether or not you have arrived.

• Vulnerability audits:

This is an audit to determine where your local government is most vulnerable to potential corruption, whether you have systems in place to deal with these potential corrupting forces, and if you do, are they working effectively to curb corruption.

We suggest you convene a working session to explore those areas where your local government could be most vulnerable to corruption. Invite yourselves as elected leaders, a cross section of public managers and workers who are involved in areas of governance that are potentially the most vulnerable to corruption, and a cross section of citizens who might be likely victims of potential corruption in your local government. Working with a professional group facilitator, develop a list of the most vulnerable areas where corruption might be a problem, brainstorm options for dealing with them, and develop an implementation plan to reduce your local government's vulnerability to corruption.

..... Add any types of investigations that we missed that you believe are important.

A reflective opportunity

We have thrown out a number of ideas about auditing that may be very different from your current thinking of the elected official's overseeing role and responsibilities. Take a few minutes to review the various

kinds of audits we have suggested and jot down some thoughts on ones that you think might be important for you and your colleagues to consider adding to your overseeing competencies.

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Communication as a proactive overseeing resource

Overseeing as an elected official competency isn't all reactive as the discussion might lead you to believe. There are ways to provide "preventative" oversight. Most are effective communication strategies so they probably fit more neatly into that competency discussion. Nevertheless, here are some short examples of proactive overseeing.

• Advisory committees:

Committees, boards, and commissions of all kinds can be a proactive way to address oversight responsibilities. They can be ad hoc based on specific concerns or long standing entities.

• Public meetings:

These meetings can be organised and conducted to get feedback, to inform, or to establish dialogues with citizens or particular interest groups.

Overseeing and trust

Effective overseeing is dependent on trust between the overseeing and the overseen.

In many ways, those who are being overseen need to trust that the overseeing process will be fair and ethical. For the overseers, they need to trust that those being overseen will be open and forthcoming in sharing information and ideas about how to improve performance or whatever it is that is being audited.

136 Carnevale, David, Trustworthy Government (San Francisco, Jossey-Bass Publishing, 1995), p. 4.

Here are some things the overseers and the overseen can do to make this important public duty and responsibility more positive, productive, and trustworthy.

- Don't prejudge the situation or the motives of those involved.
- Build problem solving relationships across the boundaries between overseeing and being overseen.
- Use your best communicating skills of active listening and asking non-judgmental, open-ended questions.
- Collaborate in developing the overseeing agenda and follow-up actions.
- Appeal to each other's higher order competencies. Use your collective strengths to gather and analyse information that is essential to the overseeing tasks.
- Be willing to discuss the "undiscussable" if necessary. If there is corruption in the system,

try to understand what is feeding it and collaborate to find ways to overcome it. Remember

C=M+D-A.

- Recognise that conflict is probably inevitable in the overseeing process. Welcome it for its important contributions and handle it in decent and ethical ways.
- Accept the legitimacy of those involved in the overseeing process.
- Be fair in meting out rewards and punishments that may result from the overseeing process. Audits are not just opportunities to find fault. They are also opportunities to celebrate success.
- Demonstrate respectable assumptions about the motives and ability of others.

Focus on the importance of shared learning and inquiry.

- Reach out and involve others who might be able to contribute knowledge, insights, and skills to the process.
- Keep promises and honour obligations.

We have covered a lot of territory in this brief overseeing journey.

We invite you to reflect on what you think has been the most important thing you have learned from this discussion. Go back to the beginning and review what you have just read. Then jot down those insights and why you think they have been important to the development of your overseeing competencies.

Chapter 11: THE INSTITUTION BUILDING COMPETENCY

An institution is more than an organisation and more than a cultural pattern. It attracts support and legitimacy from its environment so that it can better perform its functions and services.



Introduction

Institution building is a developmental process that helps local governance organisations gain and sustain the respect and support of their citizens based on the merit of local government contributions to democratic self-governance and an enhanced quality of life for all their citizens.

An institution is more than an organisation and more than a cultural pattern. It attracts support and legitimacy from its environment so that it can better perform its functions and services. An organisation becomes an

institution when it succeeds in being valued by others as important and significant... While all institutions are organisations of some sort, not all organisations are institutions.

To reiterate, IB to be effective needs to include all local governance institutions, your governing body, the local government organisation, and key civic organisations associated with delivering public goods, programmes, and services.

Uphoff, Norman, An Introduction to Institution Building: What is it—What can

it do? Proceedings: Seminar on Institution Building and Development. (Katmandu, Nepal, Centre for Economic Development, 1971), pp.23-4.

A reflective opportunity

Before going any further, we want to give you an opportunity to describe what you believe is involved in your institution-building responsibilities and what “institutions” should be included in these responsibilities.

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Given these thoughts on institution building, what are some of the things you might need to know to become a more effective institution builder?

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Institutions govern relationships between people. They are the real pillars of civilisation.

Francois Duchene

Institutions are built and sustained through trust

Institutions are special types of organisations that embody and promote certain values and norms. They are not simply instruments to carry out functional requirements within a community or society although they normally perform these functions as well. If there is one quality that promotes and sustains institutions, it is trust. Trust is established when there is confidence in the intentions and actions of others to be fair and ethical in their social exchange relationships.

Institution building ideas:

Here are some ideas about how your governing body can engage in an institution-building process that will fulfil the principles stated in the IB definition.

1. Engage in a learning process that increases your good governance knowledge, skills, and understanding. Congratulations. By participating in this series you should be accomplishing these learning objectives.

2. Hold a half-day work session involving all members of your elected body to assess how well you think your governing body is doing in fulfilling the good governance principles that we have discussed with each of the competencies. It might be useful to invite an external facilitator to work with you and your colleagues to administer the report card and discuss the results. We have included a report-card-type assessment tool in Part Two to help you carry out this IB competency task.

3. Have your staff prepare and administer the same report card to the local government staff; the officers and key staff of several key community organisations with whom you share governance responsibilities; and a representative sample of your citizens from various gender, ethnic, race, age,

and income groups who have a good understanding of your local government and what it does. Instruct your staff to conduct this survey according to accepted survey research methodology. After all, the data from these surveys will become your benchmarks for measuring forward progress on each of the good governance principles. These types of surveys not only gather important information but also enlighten those who respond about the principles of good governance.

4. Before we get into describing the various components of a comprehensive institution-building strategy, we want to share with you an interesting set of public service values that are quite different from the good governance principles we have been discussing throughout this series. They were developed by the Government of Malaysia for consideration by their civil service employees. They call them the Twelve Pillars of Public Service.

The twelve pillars

- I. The value of time.
- II. The success of perseverance.
- III. The pleasure of working
- IV. The dignity of simplicity.
- V. The worth of character.
- VI. The power of kindness.
- VII. The influence of examples.
- VIII. The obligation of duty.
- IX. The wisdom of economy.
- X. The virtue of patience.
- XI. The improvement of talent.
- XII. The joy of originating.

A reflective opportunity

Consider these twelve pillars as possible values to include in any institution-building initiatives with your local government staff and employees. Select three or four of those you believe might be important and appropriate to include in a staff development programme. For each of these values, jot down a specific institution-building tool you might use to help make it a reality within your local government organisation. For example, workshops in time management might be used to help employees learn more about valuing their time.

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There's a cost and a promise for every choice we make.

Verna Dozier

A proposed IB strategy for your local government organisation and staff

We are going to suggest a diagnostic approach to determining the relative health of your local government organisation.

While there are many ways to divide up an operating organisation for diagnosis, we will focus on six key components found in all viable organisations and three sets of linkages essential for interacting with the external environment. The components or variables are:

1. Doctrine: the organisation's vision, mission, goals, and objectives. This is your organisation's global-positioning system that tells where you are and how to get to where you want to be.
2. Leadership: While it is normal to assume this variable is located at the top of the organisational pyramid, we will challenge this bit of conventional wisdom.
3. Resources:
 1. The most obvious local government resources are finances and human resources, but there are more to explore in institution building.
 4. Programmes and Services: This is the "what you do" component, your rationale for existing.
 5. Technologies: These are the "how-to" mechanisms that are employed by your operating organisation.
 6. Structure: This describes "who does what with whom" part of the organisation.

These are the internal mechanisms or components of your local government organisation that need to be examined in any institution-building assessment. In addition, you need to look at the linkages, how your organisation interacts with its external environment. We've divided these linkages into three categories for your consideration as institution builders.

It will probably not surprise you that we have also made associations between these linkages and the widely recognised standards of public service performance, the good governance principles.

While all three linkages can be related to all of the good governance principles, we have made some distinctions about which ones are most critical to each of the three categories of linkages.

1. Operating linkages.

These are associated most directly with programme and service delivery. Effectiveness, efficiency, and accountability are the most important good governance principles to apply to these linkages.

2. Normative linkages.

These are the ideological, ethical, and value-oriented linkages. What are the accepted and expected behaviours and standards of interaction? Principles of inclusion, equity, openness and transparency, and obviously the rule of law define the normative linkages between your local government and its various constituents.

3. Enabling linkages.

Through its resources, structure, and technologies, local governments are often able to reach out and "enable" others to become a part of the local self-governing process. We think these linkages are most often associated with the good governance principles of civic engagement or participation and subsidiarity.

These organisation variables and linkages must all be addressed in any institution building programme. While elected officials and appointed staff and employees each have responsibilities for assuring that these components are addressed in institution-building initiatives, their roles and responsibilities differ. What we have tried to do in the following discussion is focus on the governing body's roles and responsibilities.

Organisation variables

I. Doctrine.

This is a collection of written documents that assures those who are associated with the organisation and those on the outside looking in that your local government knows what it is doing and has a game plan for doing it. Institution building is very difficult to accomplish if your local government organisation does not have in writing its vision, mission, and a cohesive set of operating goals and objectives. If your local government does not have these documents, then they become one of your first institution building tasks in working with the staff and employees. Here's a short description of what these documents include.

- A vision statement is a description of what your local government would look like if it achieved its full potential. For example, your vision is to rank among the top ten local governments in your country based on the principles and practices of good governance.
- A mission statement is a declaration of your local government's purpose for existing. Essentially it's a relatively short statement that says who you are, who you serve, why you exist, what you do to respond to why you exist, the principles that guide you in your responses, and what makes you unique among other organizations.
- Goals and objectives are statements about how you plan to achieve your mission. Goals are more global and objectives are more specific. Checkout Chapter Number Six, the

Decision-Making Competency, on the details of how to write these verbal road maps.

Policies and standard operating procedures are, of course, other doctrine-type documents but start with those listed above in assuring that your organisation is on its way to becoming an institution.

II. Leadership.

Your governing body obviously has a leadership role, and it needs to be addressed in any institution-building programme. Hopefully, we have covered this aspect of local government leadership adequately in our discussion on the governing body as an institution. From the standpoint of the local government organisation's leadership, we believe there are at least three IB issues to address.

1. Do the managers and supervisors in your local government organisation have opportunities to engage in professional and self-development learning activities? These opportunities can include management workshops, participation in an academic programme to get a degree or certificate, team-building exercises within work units, or being mentored by a more senior official.
2. Do your organisation managers encourage and support the good governance concept of subsidiarity? In other words, do they delegate authority and responsibility to the closest appropriate level consistent with efficient and cost-effective delivery of services?
3. Does your organisation engage in something called succession planning? In other words, is there attention given to staff retirements, turnovers, and other situations that will leave voids in the capacity of your

local government's ability to sustain its level of performance in all areas of operation? By engaging in succession planning, your management not only assures there will be no breaks in delivering programmes and services, it also provides opportunities for promotion from within.

III. Resources.

Financial resources are your local government's second most important resource. Just about everything you need to know about finances and institution building is in Chapter Number Ten, The Financing Competency, so we won't belabour this resource here. Now, we expect that some of you have that curious look on your face that says, "Second most important resource?" In case you haven't figured it out, your local government's human capital is its most important resource.

We want to call your attention to the UN-HABITAT series on Building NGO/CBO Capacity and particularly the manual on Managing and Developing Human Resources. It deals with the full range of activities associated with institution building from the perspective of your organisation's human resources. Check out their website for more details at www.unhabitat.org

IV. Programmes and Services.

This is an area of organisation institution building where your governing body has perhaps the greatest influence or should. What programmes and services your local government provides are policy decisions. Who delivers them are also policy decisions. Don't take it for granted that public services must always be delivered by public organisations. Increasingly, local governments are turning to NGOs, community-based organisations, and the

private sector for the delivery of services.

V. Technology.

By technology, we mean equipment and processes or in computer terms, the hardware and software. The monetary, political, and human costs of not being equipped to conduct local government business effectively and efficiently are often very high.

Your IB role as elected officials in terms of technology is to assure that your local government has the physical and social technology to carry out its mission according to good governance principles. In achieving this institution-building goal, you also need to challenge the introduction of any new technology in terms of the mission and goals of the organisation and to assess its appropriateness given the needs it is designed to address.

In all of these technology issues, your role and responsibilities are best summed up in the skill of asking tough questions. Why do we need it? What will it cost? What are the alternatives? How do we know if it fits our needs? Can we farm it out and have it done more effectively and efficiently by someone else? How do you plan to measure the success of the new technology? This part of the IB puzzle is best served when coupled with your communication competencies.

VI. Structure.

This is an area of IB where you and your elected colleagues can play an important role although again there will be lines beyond which you probably shouldn't go - policy-administration lines, that is.

Issues of structure include such things as changing the budget process to allow more citizen participation; opening



Chapter 12: THE LEADERSHIP ROLE AND COMPETENCY

Introduction

You cannot choose your battlefield, the gods do that for you. But you can plant a standard, where a standard never grew.

Nathalia Crane, Early 20th Century American Poet

Leadership. It may be one of the world's most overused word and underused human attribute. It is a quality that has preoccupied

philosophers, kings, scribes, religions, political parties, and just about all of us who, from time to time, hope someone will step forward and take care of the mess that others left behind in our communities, our environment, our country, and our world. It reminds us of that silly little tale about everybody, somebody, nobody, and anybody.

Once upon a time, there were four people.

Their names were:

Everybody, Somebody, Nobody and Anybody

Whenever there was an important job to be done, Everybody was sure that

Somebody would do it. Anybody could have done it, but in the end

Nobody did it.

When Nobody did it, Everybody got angry because it was Somebody's job.

Everybody thought that Somebody would do it, but Nobody realised that

Nobody would do it.

So consequently, Everybody blamed Somebody when Nobody did what

Anybody could have done in the first place.¹⁴²

¹⁴² Unfortunately, we can't attribute this literary gem to anybody because everybody wanted to claim authorship until somebody said that nobody wrote it.

Does this sound familiar? Probably. When we look at problems of urban poverty, degradation of our natural environments, the millions of homeless children that roam the streets of the world, the spread of HIV/AIDS and other diseases, gender inequities, and ethnic and racial conflicts that fester in

our midst, we realise that those four people in that silly little tale have in many of our communities become our leaders by default. These conditions also tell us that local elected leadership has never been more important.

Fortunately, help is on the way. We are encouraged by the numbers of local elected officials, appointed officials and employees, and local governments that have embraced the principles of good governance put forth by multiple international agencies as standards by which to govern. The spotlight is also on corruption and beginning to overcome the darkness greed that grips so many of our local and national governments and their private collaborators. And, citizens are becoming enraged and engaged.

These are good signs. As Edmund Burke that great 18th century political activist said, "Nobody has ever made a greater mistake than those who do nothing because they feel they can do only a little." We will relate later on an example of how some ordinary people in some difficult circumstances took Burke's advice to heart by turning their lives around through a process of shared leadership within their respective communities. But first, a look at the other things we plan to cover in this capstone learning opportunity.

A preview of coming events

In addition to a case study of good governance and elected leadership in practice, we want to look at some of the paradoxes of elected leadership and good governance, the seemingly contradictory ideas about these two interrelated concepts that often defy common sense. We will also look at some of the more interesting theories about leadership that have emerged in recent years as well as some leadership qualities that fall outside the good governance principles

we have woven into all the competency discussions.

Before we begin this final journey into elected leadership territory, we want to remind you of the conceptual framework that has defined our approach to elected leadership. We have assumed that representation and leadership are the most important roles and responsibilities you have as a local elected official. Representation is the foundation of democratic self-governance, and leadership is the personal commitment, wisdom and actions you bring to your role and responsibility as your citizen's representative.

In between these two foundation and capstone roles and responsibilities are the competencies and skills needed to bring good governance to your communities. We have focused on the ten we believe to be the most important but obviously there are more. As we said in the beginning of this series, your election to public office carries with it the assumption that you are a leader and that you will perform as a leader on behalf of your constituents. This assumption is tested by every decision again at the big picture of elected leadership and to assess your own performance as an elected official and leader. We start with a look at some of the paradoxes of local elected leadership.

After all, what is a paradox but a statement of the obvious so as to make it sound untrue?

Ronald Knox

Stewardship: Trading your kingdom for a horse

Arrange whatever pieces come your way.

Virginia Woolf, 20th C English novelist

Peter Block in his reflections on leadership

within formalised settings like organisations and governments suggests we change the context and language of this thing we call leadership. He takes part of his argument from the pages of governance, something we have been talking about throughout

this series. The other part of his conceptual reorganising tosses the term leadership aside in favour of stewardship. What Block has to say about stewardship, and by inference leadership, is germane to our discussion. It also sheds some important light on the paradoxes mentioned earlier.

Peter Block starts his discussion of stewardship with a line from Shakespeare's play Richard III. Dismounting from his horse in the middle of a battle where his life hung in the balance, the self-centred and inhuman king cried out, "My horse! My horse! My kingdom for a horse!" While this is a dramatic statement about the paradoxes of leadership, have you ever thought about trading in your seat on the governing body for something a bit less demanding? Or trading in your leadership role for stewardship status? Let's see what that might look like.

According to Block, governance as a term recognises the political nature of our lives and our communities. It is a process by which we redefine the purpose of our communities, determine who holds power, and how the wealth of our communities can be balanced to include all citizens not just the

privileged few. Stewardship is the fulcrum by which we can leverage more inclusive governance. Block says:

The principles of good governance we have so faithfully woven into our discussions of your representation role, and the ten

competencies we have suggested you master have in part created the leadership paradoxes mentioned earlier. Block's concept of stewardship is an alternative to leadership. While it may not be perfect, it helps to strip away some of the mythology that surrounds the principle of leadership. Robert Greenleaf in his book on Servant Leadership says, "The first order of business is to build a group of people who, under the influence of the institution, grow taller and become healthier, stronger, and more autonomous." Not a bad description of local government and the elected leadership role in relation to the community.

There is a strange charm in the thoughts of a good legacy.

Miguel de Cervantes, 16th Century Spanish writer

Leadership

145 Block, Peter, Stewardship: Choosing Service over Self-Interest, (San Francisco, Berrett-Koehler Publishing, 1993), pp.3-21. (Our apologies to Peter for altering his rhetoric, but not his wisdom, to fit the context of our discussion about local elected leadership.)

A journey into the leadership literature

What is left to cover in this final chapter is an idea that floated around the table in Kenya but never was nailed down as a specific recommendation in the report. And, that idea has to do with sharing some new or less well-known ideas about this thing called leadership. The intent of these new and off-beat thoughts on leadership is three-fold. First, we hope they will provide insight into and support for many of the principles associated with good governance. Second, the concern for covering

other governance principles such as vision and trust is prominent in some of the newer writings about leadership. Finally, we want to “rattle your brains” with some ideas that might seem far-fetched now but could become mainstream before your elected-leadership career ends. We start this journey into some lesser known concepts of leadership by looking at the role of followership.

Leadership and followership

There is an old adage that leaders are only as effective as those who follow them. Leadership requires followership. It's all very logical, or is it? James MacGregor Burns, who has spent a professional lifetime studying leadership, stresses the importance of the transactional relationship between leaders and followers. He defines leadership as leaders inducing followers to act for certain goals that represent the values and the motivations - the wants and needs, the aspirations and expectations - of both leaders and followers.¹⁴⁷

¹⁴⁷ Burns, James MacGregor, *Leadership* (New York, Harper and Row, 1978), p.19.

The genius of leadership, according to Burns, lies in the manner in which leaders see and act on their own and their followers' values and motivations. This is not a new idea. Lao-Tzu, the sixth century B.C. Chinese philosopher, said, To lead the people, walk behind them. However, David Nicoll wants to turn this leadership-followership idea on its head. He says there are no followers. He argues that most theories of leadership, including the one by Burns that we just quoted, are based on Newtonian mechanics and linear, hierarchic, and dualistic thinking.

Assuming there are no followers, of course, creates a real dilemma for leaders. According to Nicoll, leaders will need to accept and believe that followers use leaders to make the path. Leaders must come to believe that followers are not passive, reactive tools of the system but rather the creators of energy. In the case of local government, local citizens are the agents who show their leaders where to walk...who validate their leaders stepping out in a direction that has meaning for all of us. Nicoll readily admitted at the time he wrote his article that none of us really believe this.

These rather obtuse and somewhat jarring thoughts about leadership, which were made in the mid-1980s, have gained more validity and understanding in the interim. Many rapid advances in computer and biological sciences have not been driven from the top but rather from the bottom, from not followers in the traditional sense but rather from those who belong to the there-are-no-followers school of thinking. Bill Gates and others have been, in Nicoll's words, the agents who showed their leaders where to walk...who validated their leaders to step out in a direction that has meaning to all of us.

We are too tied up in the passive-follower concept to accept the idea of active, meaningful roles for everyone...Only when we change the focus of our thoughts from solitary acts of leadership to mutual action-dialogues, and the foundation of our beliefs from followers to shapers will we let ourselves come to terms with such issues as fear and surrender. ¹⁴⁹

Leaders can no longer presume simply that they are the people who step out first, who take initiative and the first risk, who come up with the new idea. They can no

longer believe, unquestioningly, that they are the ones who express the new vision, who arouse the new awareness, who evoke the new excitement. Nor can they assume automatically that they are the ones who engage the new commitment, who build the new invention, who point us in the new direction.¹⁴⁸

¹⁴⁸ Nicoll, David, “Leadership and Followership,” in John Adams (ed), *Transforming Leadership: From Vision to Results*, (Alexandria, VA, Miles River Press, 1986), pp.29-38.

¹⁴⁹ Nicoll, p.38.

The same could be true of the gender pioneers. Mary Robinson, Ireland's Prime Minister in the mid-1990s, said: Professor Nancy Adler with McGill University in Quebec, Canada, has been researching the influences of women on global leadership. She says more than half of all women who have ever served as national political leaders have come into office since 1990. At this rate of increase, it is expected that

almost twice as many women will become national heads of state in the first decade of the twenty-first century than have ever served before.¹⁵¹ Of course, you are saying to yourself as you read this, “So what does this have to do with Nicoll's notion that ‘there are no followers?’” Well, nothing until you re-read his rationale.

A reflective opportunity

Think about what Nicoll is saying in relationship to the good governance principles of civic engagement, inclusion, and equity, and the enabling competency. Jot down your thoughts on how these principles, when put into practice, are changing the traditional notion that leaders need followers.

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To accomplish great things, we must not only act, but also dream; not only plan, but also believe.

Anatole France, 20th C. French novelist and satirist

Leadership

¹⁵⁰ Pond, Elizabeth, *Women in Leadership: a letter from Stockholm*, The Washington Quarterly, 1996: # 4: p.59.

¹⁵¹ Adler, Nancy, *Global Leadership: Women Leaders in Management International Review*, Volume 37, (no.1), 1997, pp.171-196.

Leaders will need to accept and believe that followers use leaders to make the path. Leaders must allow themselves to believe that followers are not passive, reactive tools of the system but rather the creators of energy. They are the agents who show their leaders where to walk...who validate their leaders stepping out in a direction that has meaning for all of us. A woman leader often has a distinctive approach as the country's chief storyteller, personifying a sense of nationhood and telling a story that also helps to shape people's sense of their own identity. This is leadership by influencing and

inspiring rather than by commanding.150

Spiritual leadership

The next rather off-beat leadership idea we encountered was this one. No, spiritual leadership, as the author defines it, is not about religious leadership. It is about the leadership of spirit. James Ritscher takes us down a very different path in terms of leadership. It's one we think is germane to elected leadership. Moreover, it includes a number of the principles the expert group suggested we add to the good governance principles that are currently shaping the local government agenda worldwide. Let's see what he has to say about spiritual leadership.

Ritscher says all organisations and communities have spirit. It has to do with their very nature—their vitality, energy, purpose, and vision. Spiritual leadership involves an unusual set of skills or competencies.¹⁵² Since most are quite different from the ten we have outlined in this series of leadership chapters, we thought they would be of interest to you and your elected colleagues. While the author proposes ten leadership skills or principles, we will focus only on those we believe are germane to your local elected leadership roles and responsibilities.

- Inspired vision: Inspired visions transcend present reality.

They create a mental image of a community that aspires to greatness. Martin Luther King's "I have a dream" speech broke the backbone of racial discrimination in the United States. Granted, the inspired vision didn't provide civil rights immediately, but it paved the way for major social and legislative changes.

Likewise, Mohandas Gandhi brought one of the world's greatest empires to its knees because he had an inspired vision of a new India. He had no formal power, wore no uniform, and held no public office. As Keshavan Nair tells us in *A Higher Standard of Leadership*, Gandhi reminded the world that the human spirit is indomitable and that courage and love are more powerful than force. His life was not governed by policies but rather by principles and values.¹⁵³ Incidentally, the Hindi word for leader is *netratwa*. And *netra* means "eye."

- Clarity of mind: The elected official's life is hectic, disruptive, and prone to petty and dramatic crises. It tends to clutter the mind with trivia and immediacy. It is a work and lifestyle that defies clarity of mind which is important if you are going to have "inspired visions." Both imply focus, being clear about priorities, and being able to think rationally and clearly without closing the door to your intuition and creativity. Ritscher uses a poem by the Sufi poet Rumi to help explain.

152 Ritscher, James A. "Spiritual Leadership" in John Adams (ed), Transforming Leadership: From Vision to Results, (Alexandria, VA, Miles River Press, 1986), pp. 61-80.

¹⁵³ Nair, Keshavan, *A Higher Standard of Leadership: Lessons from the Life of Gandhi*, San Francisco, Berrett Koehler Publishers, 1994), p.3.

The moment I'm disappointed, I feel encouraged.

When I'm ruined, I'm healed.

When I'm quiet and solid as the ground, then I talk the low tones of thunder for everyone.

As Ritscher explains, "the first two lines exhibit a kind of detachment from life. They are similar to the idea 'work hard to achieve the result you want, but don't waste time with disappointment if you fail.' The last two lines express the essence of leadership. Great leadership falls on the shoulders of men and women who have great solidity and clarity."¹⁵⁴

- Will, toughness, and intention: We discussed the need for willingness in the *Institution Building* chapter as the companion to ability. Without the will to act, the ability to act as a leader becomes meaningless. By toughness, the author is not referring to macho behaviour but rather maintaining sensitivity while strengthening the ability to accept and deal with situations as they are. When citizens are yelling at you during a governing body meeting, toughness is the ability and willingness to listen carefully without getting upset. Intention can be linked to the first skill of inspired vision. While it may be your intention to follow through on your inspired vision, it's your willingness and toughness that makes your intention a reality. Willingness gives your intentions life; toughness helps you sustain them.

- Low ego, high results: Ego is the overemphasis on self. While many individuals in positions of power have large egos, it is not a sign of personal strength. Ego is me versus you. The antithesis of ego is caring, service, cooperation, and dedication to results. Low ego is directly associated with your enabling competencies and enabling actions as a governing body.

Ritscher uses the term transformational leadership to demonstrate the importance of low ego-high results. This combination of personal qualities encourages individuals to give up petty, egotistical needs to work

for the common good and vision. It encourages the enabling of communities and organisations to transform themselves based on shared visions of what is possible.

- Trust and openness: Trust is having faith in yourself and others. Trust is believing that others will think and act appropriately. By openness Ritscher means being unguarded, candid, and truthful. In this context it is somewhat different from the "openness" principle in the good governance portfolio of values. Here it is more personal and tied closely to trust. He states that these two skills or personal qualities can be seen as transforming into somewhat irrational behaviours. Elected men and women are often perceived as not being trustworthy, and they reciprocate by not "trusting" citizens. These reciprocal perceptions often close the door to openness.

154 Ritscher, pp.64-5

Trust and openness is therefore one of those paradoxical pairs of behaviour that takes time and energy to instil into the political process and community. Nevertheless, these are two principles that make it possible to have meaningful and productive democratic dialogues. As the author reminds us, a predisposition to trust creates a powerful energy field around a leader. People are drawn to this energy because they experience themselves as bigger people in the leader's presence. The leader's trust bolsters their confidence, creating a sense of stability and safety. Inspired visions will fall on barren ground if they are not backed by mutual trust and openness.

- Integrity: Integrity is tied closely to trust. We rarely trust an individual who lacks integrity. But what exactly is integrity? It has at times been described as "what you

