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## Leadership in Local Government Building Globally Competitive Cities

### **Takeaway Documents for Course: What is strategy?**

Stellenbosch, 3 March 2012

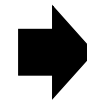
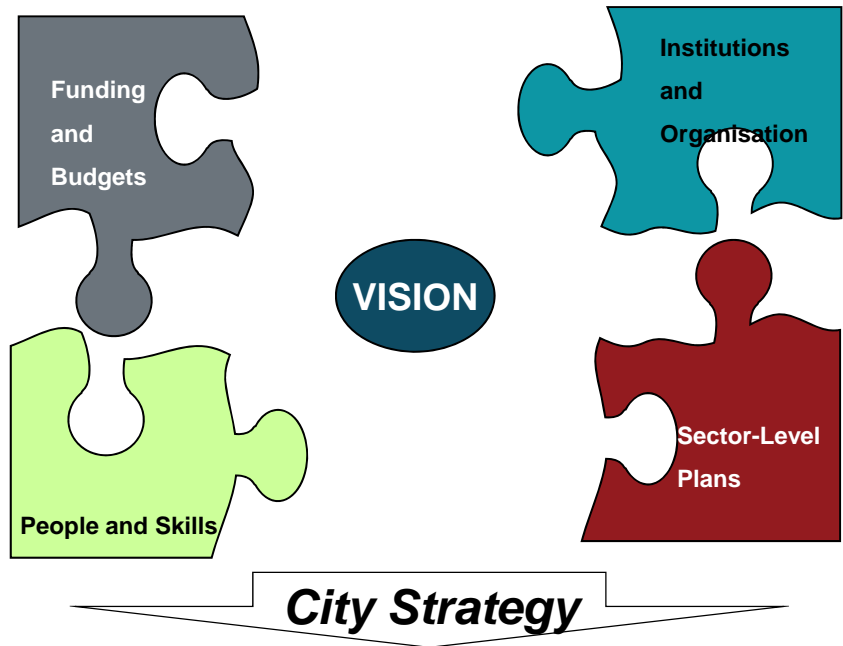
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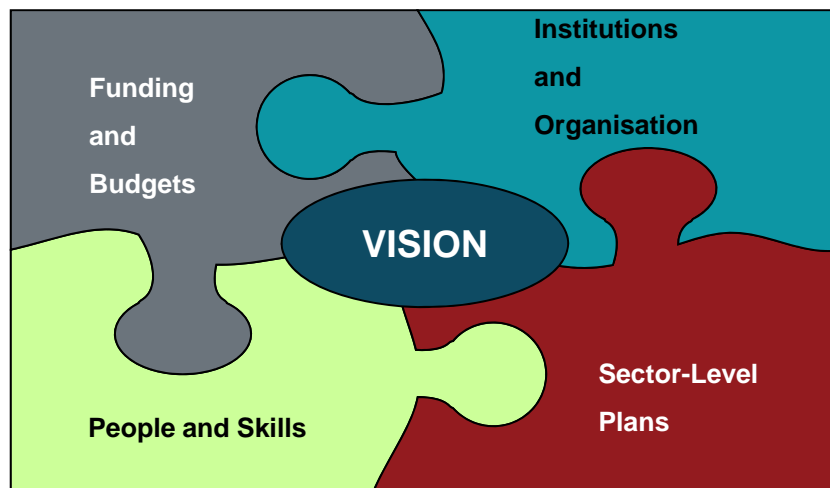
This document provides an outline of a presentation and is incomplete without the accompanying oral commentary and discussion.

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# Strategy Needs to Make the Link Between a Political Mandate and Vision and Action Plans



Piece-meal approach due to lack of coherence between the long-term vision and shorter-term operational issues



City Strategy Seeks to Create the Link between Long-Term Vision and Shorter-Term Issues and Actions

## What is City Strategy?

*“Nothing is more difficult, and therefore more precious, than to be able to decide.”*  
– Napoleon Bonaparte

### City Strategy

*is an integrated set of **choices across multiple dimensions**, based on **city residents’ and businesses’ needs in the long term and short term**, which, when **successfully implemented**, positions a city or region to enjoy **a lasting prosperity***

### City Strategy

*is **NOT** a list of action plans and budget lines*  
*Is **NOT** theory without practical consideration*  
*Is **most powerful with** broad alignment, strong political mandate and administrative commitment for **implementation***

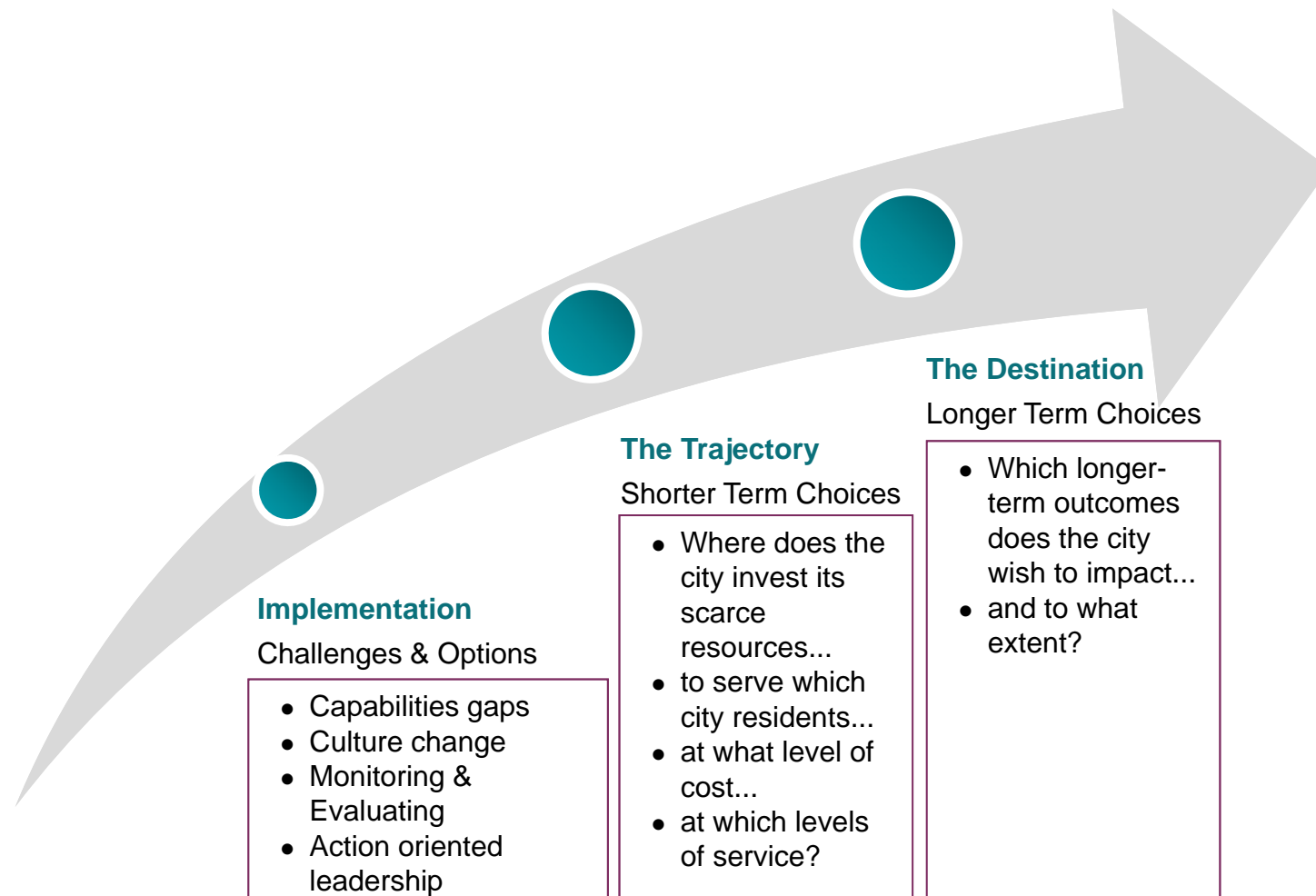
# FACT: the Guiding Principles of the City Strategy Development Process

Four essential principles that the city strategy development process must adhere to:

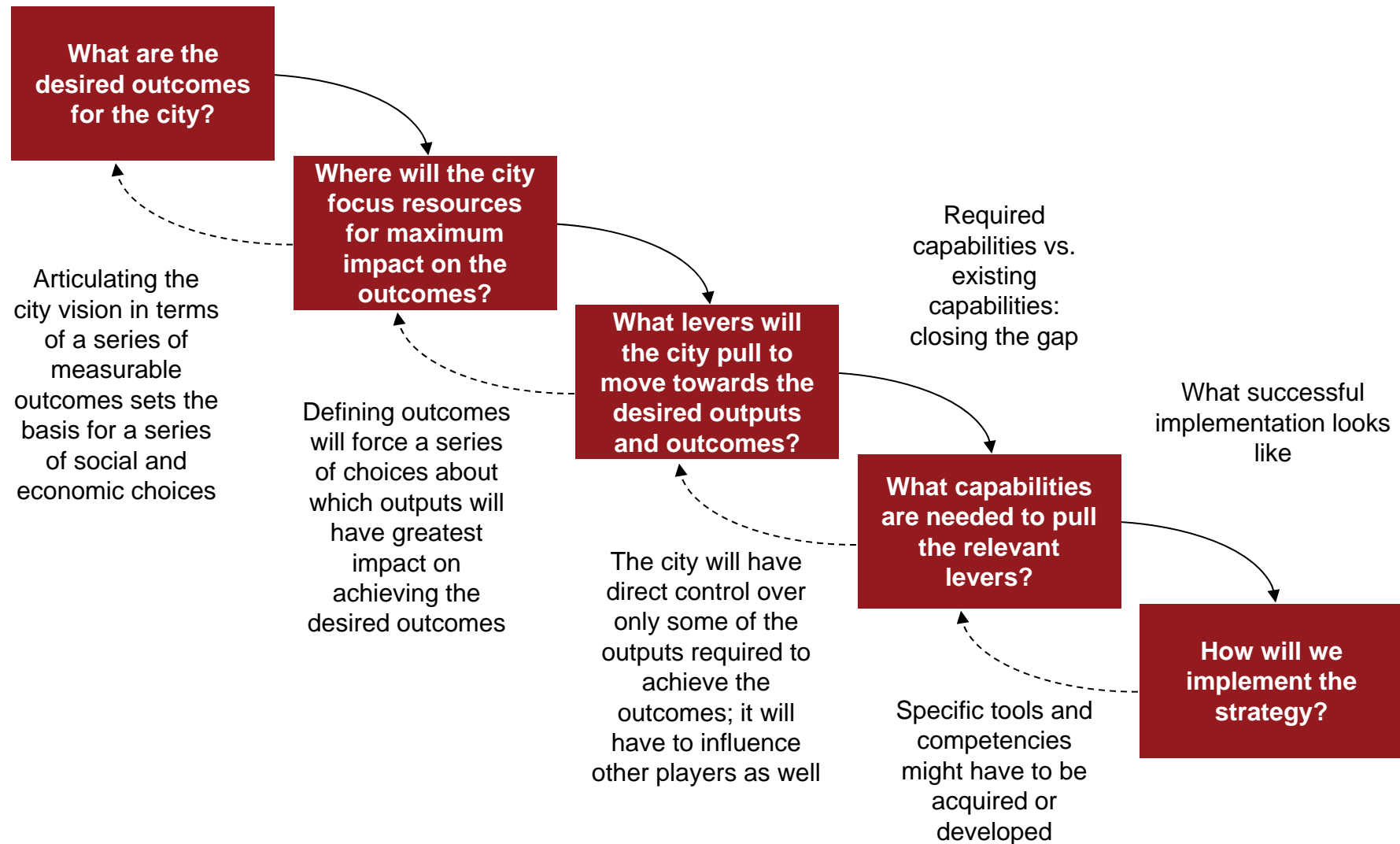
	<b>What it means?</b>	<b>Examples</b>
<b>Focused</b>	Strategy is about making choices about what to do, and more importantly what <u>not</u> to do given the resource and environmental constraints	<ul style="list-style-type: none"> <li>✓ <u>Invest</u> in rebuilding central JHB despite higher financial cost and <u>not</u> invest in developing the sprawl despite better financial cost</li> <li>✗ Invest in everything</li> </ul>
<b>Data Driven</b>	Strategic choices must be made based on sound data and analysis. Data differences need to be uncovered and resolved into an agreed upon set of baseline data	<ul style="list-style-type: none"> <li>✓ Define the cost to serve, segment the residents by type of dwelling, cost, service, etc.</li> <li>✗ Anecdotal decision-making “they say it’s good, so let’s do it...”</li> </ul>
<b>Consultative</b>	The process needs to be highly consultative, incorporating input from as many stakeholders as possible. Where agreement is not reached, typically the Executive Mayor will make final decisions.	<ul style="list-style-type: none"> <li>✓ Identify stakeholders, and consult them regularly within and outside government. Involve the city team to develop the strategy</li> <li>✗ Leave it to the external providers and not engage with it</li> </ul>
<b>Transparent</b>	The strategy development process and its outputs (e.g., choices, etc.) need to be transparent to all city stakeholders. It is a public process	<ul style="list-style-type: none"> <li>✓ Communicate on the process and its findings during and after; provide updates to key constituencies, etc.</li> <li>✗ Back room strategy and action plan development</li> </ul>

# A City Strategy Will Need to Describe the **Goal and Trajectory**

*City leaders need to define and make both long-term and short-term choices*



# City Strategy Is an Integrated Set of Choices

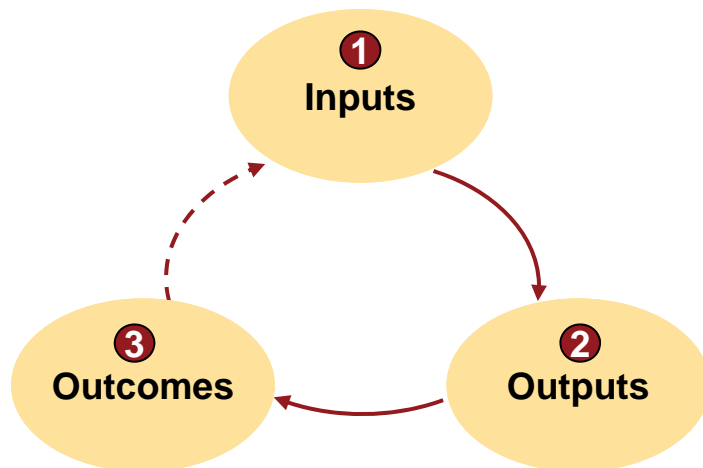


# Outcomes Based Approach to City Strategy Development

FROM:

**An Input Based Approach** ❌

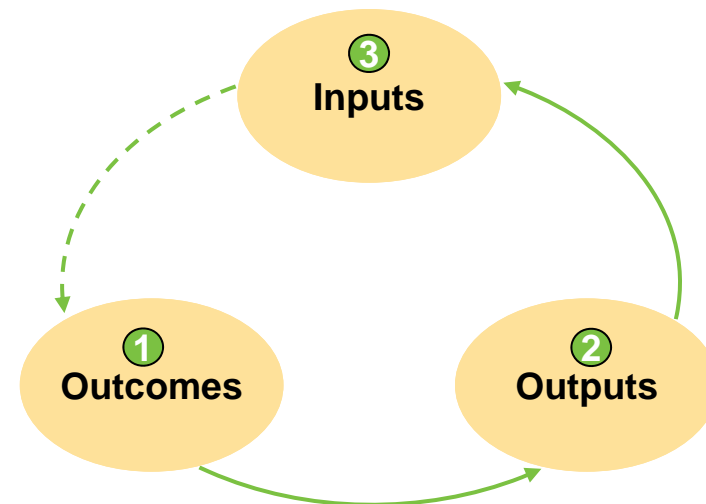
Guiding principle:  
*"Last-year's budget plus x%"*



TO:

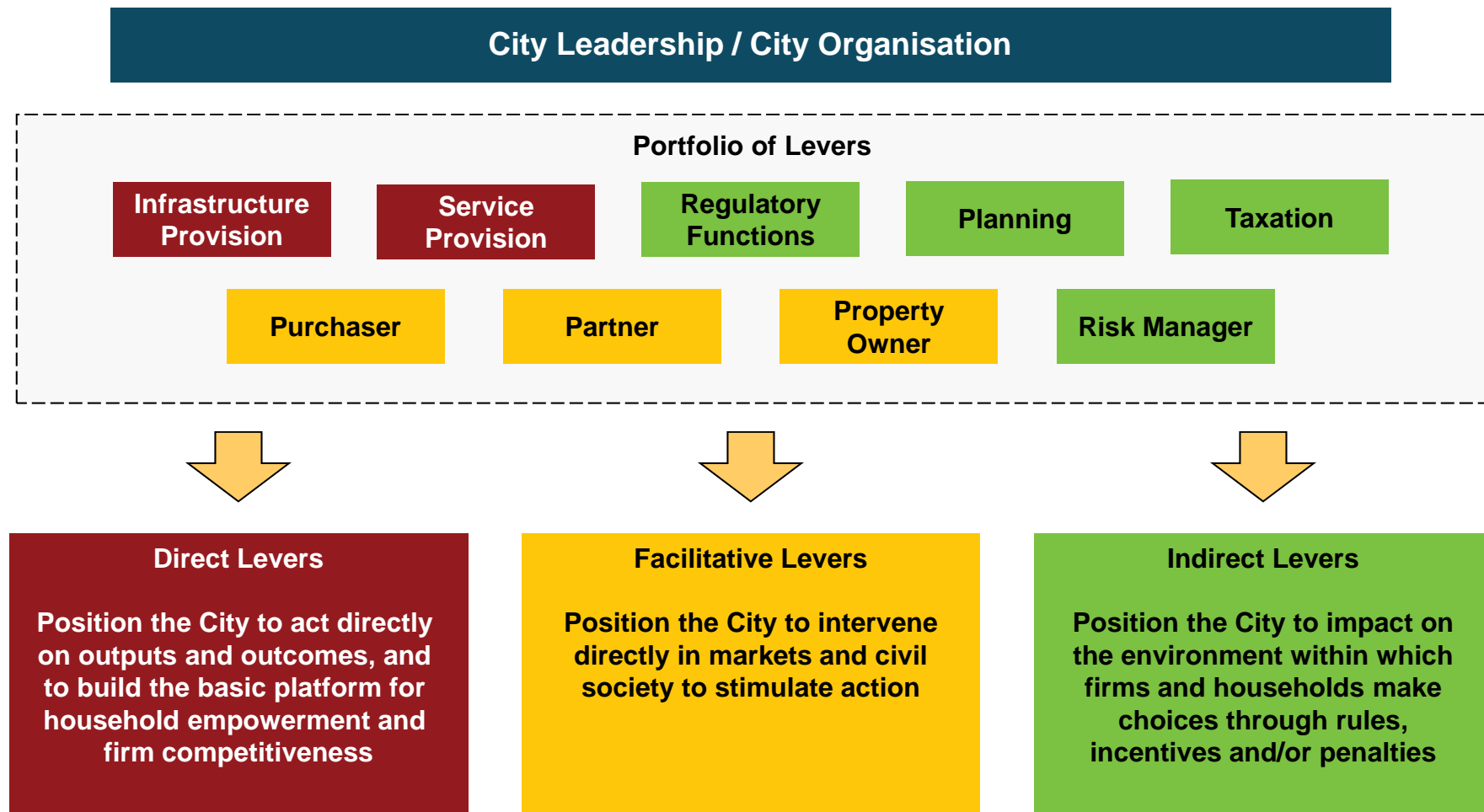
**An Outcomes Based Approach** ✓

Guiding principle:  
*"What do we want to see?"*



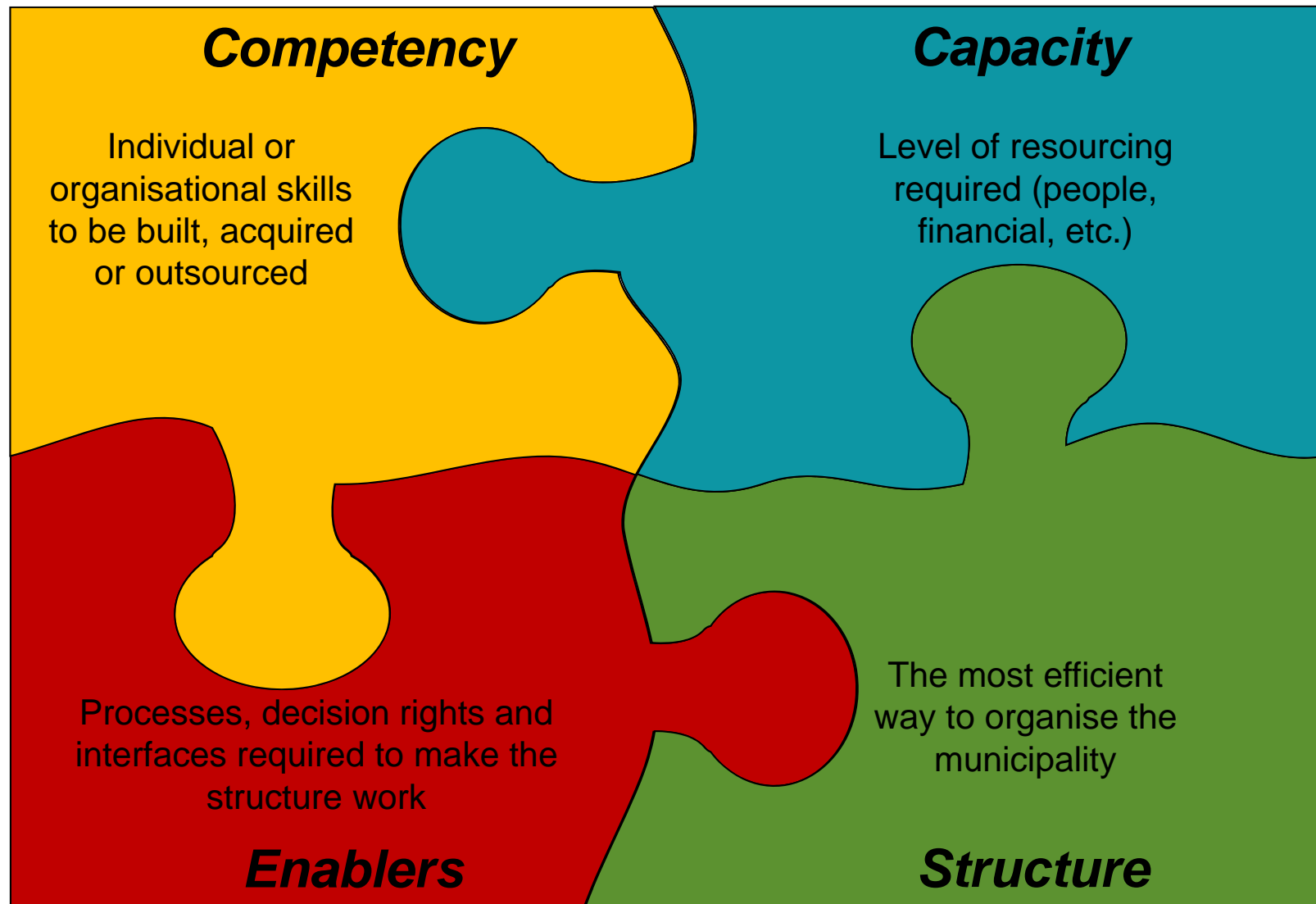
**"Turning the Problem of City Strategy On Its Head"**

# Levers Available to Cities





## It Is Important to Ensure Development of a Clear Capability Plan



## Critical Success Factors

- Strong political mandate to develop and implement the strategy
- Alignment between the city's management and political sphere
- Effective leadership skills
- Targeted development of skills of city personnel
- Sufficient resourcing
- Action oriented organisational culture
- Rigorous ongoing monitoring & evaluation

## Monitor Group Contact Details

# MONITOR GROUP

83 Central Street  
2198 Houghton  
Johannesburg  
PO Box 784705  
Sandton 2146

Tebogo Skwambane  
Partner & Head of the South Africa Office  
Monitor Group  
e. [tebogo\\_skwambane@monitor.com](mailto:tebogo_skwambane@monitor.com)  
c. +27 83 326 7071