

COMPANION PAPER 4

A USER'S GUIDE TO IMPLEMENTING CITY COMPETITIVENESS INTERVENTIONS

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BACKGROUND AND ACKNOWLEDGEMENTS

Interest in studying city competitiveness has skyrocketed in the last few years, although the topic itself is far from new. Mayors and city leaders have long worried about the obstacles to job creation, competitiveness, and economic growth that plague their cities.

This paper is part of a broader research initiative called the “Competitive Cities Knowledge Base,” managed jointly by the Trade & Competitiveness Global Practice (T&C) and the Social, Urban, Rural and Resilience Global Practice (SURR) of the World Bank Group. Its objectives are to create a knowledge base on competitive cities and to improve the understanding of job creation at the city level as a foundation for a community of practice on this topic for World Bank Group staff, academia, donor partners, and practitioners.

The Competitive Cities Knowledge Base seeks to bring a robust body of knowledge to our clients on what has worked elsewhere and what has not and on how to organize for delivery in different contexts.

Our approach utilizes different methodologies to tackle these questions based on best practice, data availability, replicability, and simplicity. In many cases, we leverage new and existing data sources to shed new light on some unresolved questions; in others, we conduct primary research where available data were inadequate. We look at global and regional trends, comparing different typologies of cities—by income, sector, and region—and buttress these findings with econometric deep-dives and case studies in selected countries and cities.

This paper draws on a prodigious body of existing research from a range of fields. The summary findings of the overall research are presented in the framework paper “Competitive Cities for Jobs and Growth. (World Bank 2015a)”

This paper is framed as a User’s Guide to help city officials and city competitiveness practitioners in implementing interventions. This guide aims to support cities in identifying collaborative configurations of actors from the public and private sector along with the management approaches that can help leadership implement interventions to support the city economy.

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Introduction

City governments around the world have become increasingly important in facilitating job creation and economic growth through program and policy interventions (McGill 2007, 75; Smoke 2013, 57). Cities are where people live, where the jobs are, and where growth is happening. Cities generate 80 percent of global GDP (World Bank 2012). But while cities concentrate economic activity and wealth, they also are centers of poverty, inequality, and informality. In Africa 90 percent of new urban dwellings are in slums (Potsiou 2010).

Two global trends—globalization and decentralization—have made cities key actors on issues of economic development. Global cities compete with one another for investment and economic growth. This competitive environment, and the central role cities play in generating economic growth, mean that city governments stand to benefit from expanding their focus beyond traditional functions: planning, housing, transport, and broader service provision (Moretti 2014). Economic growth has increased the power of city governments, expanded the finances available to them, and increased both their effectiveness and accountability. However, new roles in economic development and metropolitan area governance are increasingly shared with the private sector while critical national government input continues.

The focus of this User's Guide is implementation: exploring strategies to get things done drawing on insights from inter-governmental frameworks, public sector management approaches, instructive case studies, and stakeholder engagement. The guide aims to support cities in identifying collaborative configurations of actors from the public and private sectors, as well as the management approaches that can help leadership implement interventions to support city economies. Based on an assessment of the most frequent network configurations in driving rapid economic growth, the guide offers a framework to help city governments identify points of leverage for unleashing growth—referred to here as a “city wedge.”

A “city wedge” encompasses the economic development initiatives of public-private growth coalitions, city government, and inter-governmental networks. Grouping various initiatives this way enables city leaders to understand the levers for economic development at their disposal. How a city uses these levers can vary depending on circumstances. The key is to utilize all three points of leverage, discussed further below, opening opportunities and avenues to strengthen cooperation in achieving common goals and tackling common problems:

1. Public-private growth coalitions refers to collaboration between public sector agencies and diverse external stakeholders, including civil society, in planning and implementing interventions to foster improvements to the business climate and the strategic visioning of economic development. Public private dialogue (PPD) is one

approach to structuring such public-private interactions (Sivaev and others 2015, 4, 6).

- 2. City government**, in this context, refers to a city government's ability to impact economic development, which depends on its internal administrative scope, financial autonomy, and capacity in terms of human resources and internal management processes. Proponents of decentralizing economic decision-making suggest that, compared to higher tiers of government, municipal government can better satisfy the unique preferences of its local population, and that cities are more in tune with their specific advantages and better able to foster local collaborative networks (Kim 2008, 12; Katz and Bradley 2013, 5, 7-9).¹
- 3. Inter-governmental networks** refers to the interdependent relationship cities have with national and regional governments in pursuing economic development. A city's public and private sector leaders often need to leverage the support of higher-tiers of government or neighboring jurisdictions to approve or finance major infrastructure projects. Cities can benefit from nationally sponsored initiatives. Moreover, cities collaborate with different regions to strengthen economic linkages and collaborate in complementary industrial sectors.

This User's Guide offers end users—government officials, city leaders, and key stakeholders—advice on a portfolio of options to be considered and customized, designed to improve economic outcomes and drive job growth. It offers lessons from cities that overcame common implementation problems, and a practical checklist for cities implementing programs to improve competitiveness. The guide builds on a number of existing guides to describe in more detail the three distinct avenues and actors for impacting economic development (Clark and others 2013, 11).²

This guide does not offer a one-size-fits-all prescription to implementing city competitiveness interventions but recognizes the myriad shapes and sizes of a city's institutional and stakeholder configurations. Through city case studies and process guidelines, this guide offers a pragmatic way forward to confront the challenges of turning grand strategy into results on the ground.

This User's Guide is divided into three sections. Section I introduces the city wedge framework and its component parts. In Section II, the framework is applied to six cities: Bucaramanga, Colombia; Coimbatore, India; Kigali, Rwanda; Gaziantep, Turkey; Changsha, China; and Tangier, Morocco. The narrative explores the important drivers and relationships behind interventions targeted at improving competitiveness. Section III provides guidance to city leaders on how to overcome common challenges during implementation, and organize to deliver. It also provides an implementation checklist—identifying principles that cities can utilize throughout the implementation process.

I. The City Wedge Framework

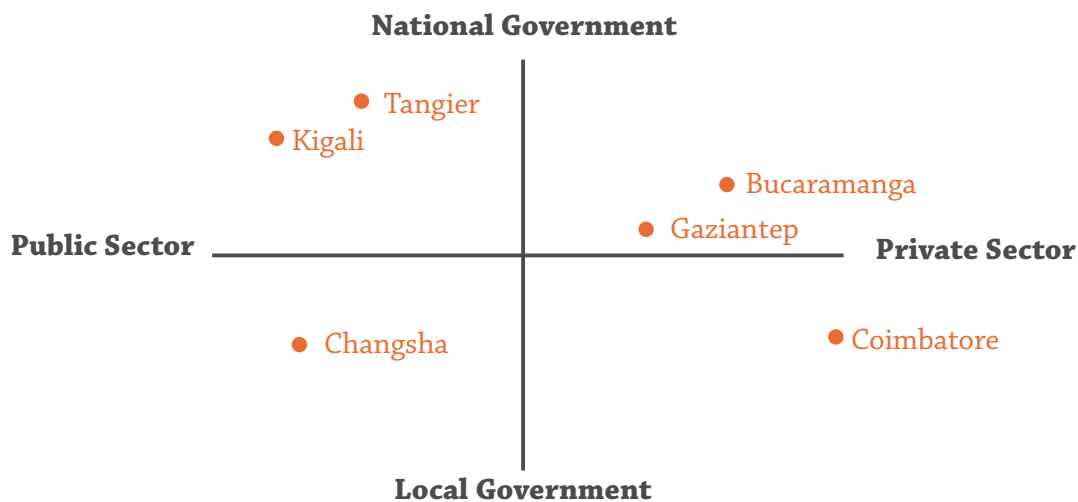
The institutional and legal frameworks of six secondary cities were investigated to ascertain the range of institutional actors involved in carrying out successful economic interventions. These cities are: Bucaramanga, Colombia; Coimbatore, India; Kigali, Rwanda; Changsha, China; Gaziantep, Turkey; and Tangier, Morocco. They were selected based on their impressive economic performance compared with national and regional benchmarks, land-locked geography, lack of significant natural resource endowments, and location in middle-income economies.³

A characteristic common to five of these six cities is that their governments generally do not proactively lead economic development. The economic growth agenda

at the city level is more often led by the private sector in place of or in cooperation with, the local government, or by higher tiers of government at the state and national level. This is particularly true in administratively centralized countries. The graph below illustrates the point, plotting the six cities in terms of the actors that led economic development. Only in Changsha, China was success largely dependent on local government intervention. The others break out as follows:

- Central government interventions (Tangier, Kigali).
- Private-sector initiative, backed by government support (Bucaramanga, Gaziantep).
- Private sector takes the lead in typical economic development functions (Coimbatore).

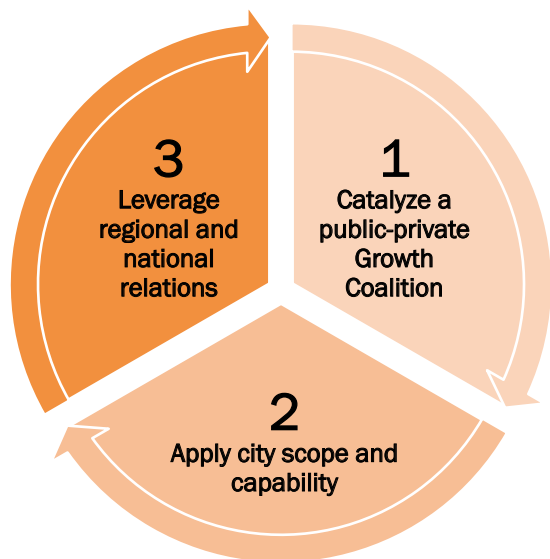
Figure 1: Who led local economic development efforts in each city?



Three Points of Leverage

City economic success is often the product of multiple, complementary interventions. Here we identify a “city wedge”—cities utilizing three points of leverage to impact economic development: 1. catalyzing public-private growth coalitions; 2. applying the city’s internal scope and capacity, and; 3. leveraging regional and national relations. The points of leverage are illustrated in Figure 2.

Figure 2: Three main points of leverage



1. “Growth coalitions” formed with public sector agencies and private sector firms

We investigated the formation of growth coalitions at the city level,⁴ where public sector agencies and diverse external stakeholder groups, including the private sector and civil so-

Box 1: Oslo Improves its Economic Outlook, even though City Government has Narrow Administrative Maneuverability

Norway’s national government plays the dominant investment role in Oslo, yet metropolitan bodies have emerged as drivers of strategic economic activity and regional knowledge partnerships. Oslo Teknopol (created by Oslo City and Akershus County Council) is the non-profit development agency for the wider region and the key driver of collaboration with businesses, research and higher education. Oslo Teknopol is also linked to national and local government agencies. The city’s higher education institutions set up the Oslo Knowledge Partnership, which links the city government and leading universities and positions the city as an international knowledge center (Clark and others 2013, 149-151).

ciety, collaborate in strategic planning and implementation.⁵ Public-private dialogue (PPD) is an approach to structuring interactions between stakeholders to support competitiveness objectives. Different aspects of public-private collaboration on competitiveness are outlined below (Sivaev and others 2015).

- **Economic development in cities is seldom led by city governments.** For cities in centralized countries or those with narrow administrative scope and limited capacity, economic development is usually led by the private sector or higher-tiers of government.
- **Opportunities exist for cities to collaborate with local networks and stakeholder groups to more strategically improve competitiveness outcomes.** This may take the form of a growth coalition with representatives from the public, private, research, and civil society sectors, created to share tasks and implement initiatives that spur job creation and economic growth. The private sector often leads such initiatives. Cities can maximize results when their governments and businesses work together and when firms “fill governance gaps and build delivery capability for cities (Moir and Clark 2014, 38).”
- **This collaboration is intended to bring stakeholders together to define problems and work on solutions.** A coalition can collectively work to address specific government and market collective action problems by defining and analyzing relevant problems, discussing and agreeing on specific reforms, and working to implement suggested solutions (Sivaev and others 2015).
- **Growth coalitions for city competitiveness typically pursue private sector development,** improvements to the business climate, poverty reduction, and the strategic visioning of economic development more broadly.

Box 2: Bilbao Stands Out Among Cities Worldwide, with Significant Powers Devolved from Central Government

In ten years Bilbao went from a city faltering due to industrial decline to one with GDP per capita rates significantly higher than the rest of Spain. The city economy grew 18 percent in ten years and the population started to increase after years of decline. Bilbao’s use of its wide-ranging financial and administrative powers (Basque county provinces set, administer and collect all direct taxes) and its close collaboration with newly established public-private bodies helped recover the city’s assets and successfully support start-ups and R&D in new technology clusters. The city established two economic development agencies—**Bilbao Ria 2000**, a public corporation set up to redevelop the riverfront and brownfield land, and **Bilbao Metropoli-30**, a non-profit economic development partnership to plan the city’s economic revitalization (KPMG 2014, 34, 39-42, 50-53).

2. City government internal scope and capacity

The capacity of a city government to facilitate economic development depends on its internal administrative scope, financial and human resources, and effective internal management practices.⁶ Key elements include:

- **Utilizing the powers a city government possesses.** Municipal governments vary significantly in their influence over policy levers related to economic development and their ability to raise revenue.⁷ Furthermore, a city's institutional and structural context plays an important role in determining the range of possible interventions it can pursue.
- **Developing a city government's capacity to effectively implement programs and public policies.**

This depends on the degree to which the government has a talented and qualified workforce, and its ability to access such talent. It also depends on the city government's internal capabilities for planning, budgeting and monitoring implementation.

- **Understanding the various interventions a city government can use to drive economic development.** Examples include: improving infrastructure and connectivity for residents and businesses; proactively attracting foreign investment; supporting the growth of local businesses and the creation of new businesses; charting a future for the city economy that identifies areas of growth and stimulates the most promising sectors by supporting development of needed skills.

3. Inter-governmental relations

Cities have an interdependent relationship with the national government, regional governments, and neighboring jurisdictions. A city's public and private sectors often need to leverage the support of higher levels of government to support major infrastructure projects with funding, implementation, or to ensure the city is included in national initiatives and major projects. Below we summarize how these relationship take shape.

- **A city's government and private sector may take the lead on economic development initiatives, but frequently must leverage support from higher tiers of government or neighboring jurisdictions.** National and regional governments provide public services and economic development support to cities as part of their overall policy frameworks. They play a number of important roles in supporting the new growth and investment strategies of cities (Clark and others 2013, 37).

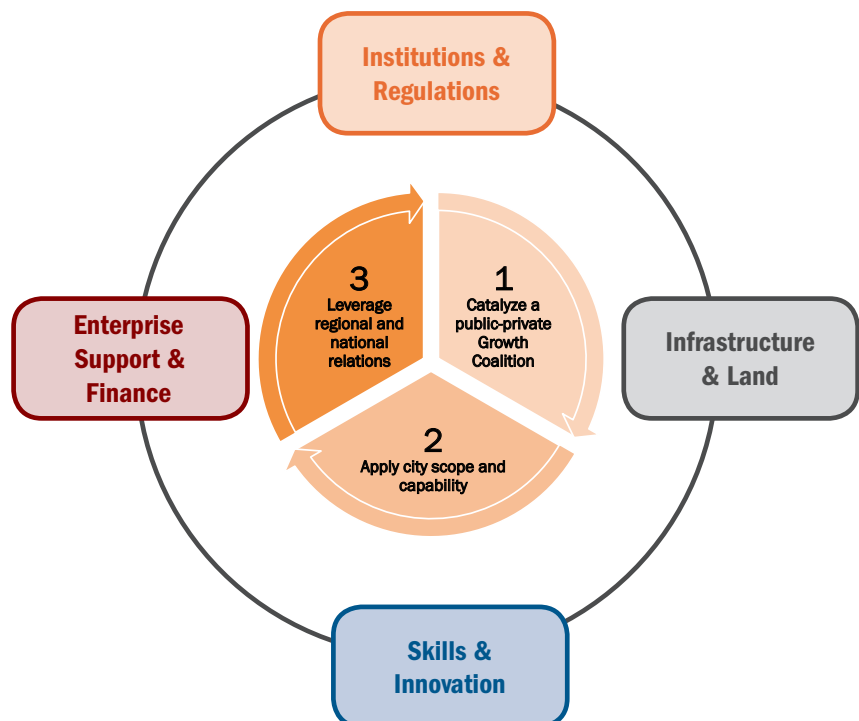
- **Proactive city leaders—either from the government or private sector—lobby higher tiers for economic development support.** This may be in pursuit of funding on major infrastructure projects or other types of program assistance, such as to support local enterprises.
- **Cities can also collaborate horizontally,** either with other local governments within the same metropolitan area or with cities in neighboring regions or countries, to plan and strategize more effectively and create or strengthen linkages with regional industry clusters.
- **Metropolitan economic development is not always a task of city government, in terms of a city's functions and its spatial reach.** Economic planning, strategy, and implementation are not always within a city government's remit, and even if they are, they may not be coordinated on a regional basis (Slack and Cote 2014). This increases the need for cities to work with higher levels of government.

Box 3: Pittsburgh is Able to Garner State Government Support for Innovation

A group of the city's prestigious universities, led by Carnegie Mellon University (CMU), partnered with State Representative Tom Murphy to create Ben Franklin Technology Partners (BFTP) to channel state support to high-tech jobs. Rep. Murphy lent his support after recognizing CMU's efforts to link universities and economic growth. CMU created the Robotics Institute, home to 500 scientists and researchers, to explore the application of robotics to health, defense, and commerce. BFTP was run much like a venture capital firm, supporting innovation in the city economy. The partnership helped create an estimated 80,160 jobs since 1989. BFTP eventually became Innovation Works, an investment and support vehicle, offering office space and support to startups and of course venture capital investment. This has led the creation of a lab to support software and gaming entrepreneurs and another to support physical product start-ups with investment, mentorship, and networking (KPMG 2014, 256, 258, 266).

The city wedge framework enables cities to identify opportunities across their three points of leverage. These three avenues are represented in the middle of the following figure (3), as the levers for influencing policy on city economic development. Surrounding the three levers are the four drivers of city competitiveness. **The four drivers of city competitiveness that impact firm-level performance are: institutions and regulations; infrastructure and land; skills and innovation; and enterprise support and finance.**⁸

Figure 3: Three points of leverage and four drivers of competitiveness



Using the City Wedge to Identify Key Actors for Implementation

The Competitive Cities team defines a “competitive city” as a city that consistently helps its firms and industries create jobs, raise productivity, and increase the incomes of citizens. Ideally, a city’s proactive engagement on competitiveness includes all three points of leverage mentioned above: public-private coalitions or private sector engagement; city government pro-activeness; and leveraging of higher-tier national or regional government support. Cities seeking to raise their level of competitiveness should start by identifying how to engage on these three fronts. **The following questions can guide policymakers and stakeholders through this process:**

- **How is our city doing?** *Conduct a city economy diagnostic [Please see the City Competitiveness Snapshot and Growth Pathways Paper].*
- **What can our city deliver?** *What are the roles and responsibilities of the city public sector agencies and external stakeholder groups [Please see following section on applying the city wedge framework]?*
- **How can we organize to effectively implement interventions directly or partner with others?** *[Please see the section in this User’s Guide on “Organizing to Deliver”].*

Once a city has conducted an economic diagnostic of its needs, it may also utilize public-private dialogue as a prioritization tool for city competitiveness.⁹ PPD and other mechanisms for public-private collaboration can bring key city stakeholders together to ensure consensus on the city’s problems and their shared strategic priorities to address them. Section III offers guidance on how to improve internal management practices to facilitate implementation.

The application of the city wedge framework can assist cities in mapping each of their key actors against policy interventions for competitiveness. Cities can make use of the mapping exercise to identify gaps and opportunities for proactive interventions on their main points of leverage. The case study findings demonstrate that while

some city governments are more capable of making economic development-related interventions (e.g. Changsha), other cities depend heavily on private sector activity (e.g. Bucaramanga, Coimbatore, Gaziantep), while still others rely on the national government (e.g. Changsha, Bucaramanga, Tangier). In many cities, as in our case studies, a combination of all three avenues were utilized.

Broadly speaking, our findings suggest the following relationships between the actors leading competitiveness and the levers they utilize to implement initiatives:

1. *City governments appear to exercise a greater degree of control over institutions and regulations (improving business climate, in particular), and infrastructure (municipal infrastructure and lower level schooling/social infrastructure), than over skills and innovation and access to finance. Thus, cities with similar institutional structures should organize to deliver on initiatives in institutions and regulations and infrastructure.*
2. *In the areas of skills and innovation and access to finance and enterprise support, city governments should leverage the private sector and higher-tier governments to tap into funding and technical assistance. Linkages between industry and academia and between skills and business sector needs should involve the input and strategic guidance of the private sector and academia.*
3. *Where available, city governments should also leverage existing national economic plans to enhance workforce skills and generate innovation grants and enterprise development support for firms. Major infrastructure support from the national government is also critical, and as shown below, lobbying for such support can come from both the city government and the private sector.*

The following section will present the different processes in which city actors have carried out competitiveness interventions, such as approaches on lobbying for infrastructure improvements or methods to spur investment attraction. The examples of city interventions illustrate their achievements and potential lessons for other cities.

II. Applying the Framework: Evidence from six cities

The six cities examined in this study exhibited varying levels of involvement of public and private city-level actors and other government actors in supporting economic success. The analysis in this section presents the competitiveness interventions undertaken by these cities in the four areas outlined below, *institutions and regulations, infrastructure and land, skills & innovation, and enterprise support & finance*.¹⁰ The content is organized in tables for each of the areas, with the actors differentiated for each city—depending on whether the city government or growth coalition led an initiative, or leveraged the effort through other government actors.

The findings below suggest the myriad of ways that cities—utilizing their three points of leverage—can initiate, fund and implement competitiveness-related interventions. No single way exists to organize investment attraction, provide finance support, or develop workforce skills. Findings from the case studies reveal ways that cities have carried out these interventions successfully, starting from different institutional and country contexts.

The particular city actors involved in the areas of competitiveness varied, but the private sector was almost always as active as the city government. In terms of institutions and regulations, business climate improvement initiatives were implemented by the municipal government, but in two cases (Gaziantep and Kigali), this happened after the national government had spearheaded countrywide reforms. Interestingly, private sector organizations or leading firms led investment attraction efforts.

All six cities pursued interventions that included the input of key stakeholders (even if the intervention was not always carried out in partnership). Gaziantep developed industrial parks based on industry need. Morocco's national government prioritized a new port in Tangier, while ensuring the local capacity to manage and target growth opportunities. Lastly, Coimbatore's educational institutions stood out because of their direct linkages to the city's private sector and therefore to industry needs and new growth areas.

Table 1: Competitive City Interventions in Institutions and Regulations

City government led

KIGALI, Rwanda, upgraded its one-stop shop to target obstacles faced by foreign investors, while cleverly leveraging a well-designed and well-marketed master plan to attract investors (Kigali case study annex in Kulenovic and others 2015, 6, 12, 15).^c

How they did it

City leaders

- Created the Kigali Investors' Forum, a private sector forum, to collaborate with government to identify specific reforms.
- Diagnosed constraints with a Doing Business assessment (through the World Bank) and through the Kigali Investors Forum, highlighting the following constraints: inefficiency and lack of interagency coordination on construction permits.
- Established a one-stop shop in 2010 that brought together all agencies needed to approve construction permits. In 2011, the city also created an electronic platform for construction permits with support from the International Finance Corporation and African Development Bank to further reduce red tape. The city based the project on a similar one that was successful in Nairobi, Kenya, and paid for it from its municipal budget.

What they achieved

Investors now handle all approval needs in one place and receive a construction permit within 30 days. The city is now 34th worldwide in dealing with construction permits, according to Doing Business surveys.

What cities can learn

Business climate reform was targeted at the constraints that offered the most effect indicated by the private sector and then was facilitated by coordinating effectively with the national government.

^c Data also from Doing Business 2015 indicators (database), World Bank, Washington, DC (accessed February 27, 2010), <http://www.doing-business.org/data/exploreconomies/rwanda>.

City government led

GAZIANTEP, Turkey, improved its business environment by reducing red tape and improving regulatory practices.

How they did it

City leaders

- Differentiated Gaziantep from other cities on what usually are key constraints: the city provided *land* (including industrially serviced land) at a relatively low cost and created a *one-stop administrative process in the OIZs* (special economic zones) for expedited permitting.
- Rationalized the municipal bureaucracy: the city's mayor slashed the municipal administration from 2,700 to about 100 employees as part of the streamlining of bureaucratic procedures, limiting opportunities for corruption and political patronage.

What they achieved

Gaziantep's exports have increased tenfold since 2002, with \$6.2 billion exported annually by 2013, and the city exports products to 164 countries.

What cities can learn

A competitive business location is achieved by combining several interrelated, mutually reinforcing activities. Furthermore, strong political will to implement radical reforms can help turn the local business climate around in a relatively short time.

Growth coalition led

COIMBATORE, India, permitted the private development of a private economic zone (Coimbatore case study annex in Kulenovic and others 2015, 32–33). The developer formed a pipeline of clients during construction, built the zone gradually as tenants came in, and then customized facilities and services to their needs.

How they did it

- Staff members of the developer, KgiSL,¹¹ undertook an extensive, systematic analysis of market trends and players in the offshoring world and, in particular, the activities of multinational corporations (MNCs) in India. Observing that some companies had run out of room to grow in places like Bangalore and Chennai, the developer made targeted pitches positioning Coimbatore as a viable alternative, given its highly educated, English-speaking workforce that is available at significantly lower cost than in Tier 1 cities.

What they achieved

The zone has been able to attract Cognizant, Dell, and Bosch among its tenants, amassing 20,000 jobs.

What cities can learn

Market-driven industrial development, with appropriate guidance and support from the city government, allows for more customized and overall successful projects, avoiding new construction that sits empty.

^d KGiSL stands for K Govindaswamy Information Systems Private Limited. It is now a conglomerate of companies, but it started out as a cotton-trading venture by Shri.K Govindaswamy Naidu in 1932.

^e Indian cities are classified according to a three-tier system, as Tier-1, Tier-2 and Tier-3 cities. The classification is based on city population with the most highly populated cities classified as Tier-1 cities and the least populated classified as Tier-3 cities.

Table 2: Competitive City Interventions in Infrastructure and Land

City government led

GAZIANTEP'S organized industrial zones (OIZs) have each been developed with specific sectors or sizes of firms in mind, from the type of infrastructure provided to the sizes of plots (Gaziantep case study annex in Kulenovic and others 2015, 42–43). This strategy may have set them apart from less successful industrial zones in Turkey and elsewhere.

How they did it

- The city's first two OIZs were more generic, initially servicing small and medium enterprises (SMEs) and eventually larger producers. The first few OIZs featured smaller land parcels for tenants, helping to formalize SMEs and to facilitate upgrading their operations. Later OIZs catered to large carpet-making firms as well as intermediate and smaller firms that produced related products.
- The process for implementing OIZs is the same throughout Turkey, but Gaziantep has benefited from greater interaction with target firms and greater collaboration from public agencies. The municipality and governor's office closely collaborated in forming the OIZs. In addition, regulations aimed to avoid speculation: title deeds for land are transferred only after the tenants begin operation.

What they achieved

Gaziantep has five OIZs at full capacity, with the fifth under construction, and a sixth now being planned. The sixth zone is planned to be as large as all previous zones combined.

What cities can learn

Gaziantep avoided the build-it-and-they-will-come approach and built industrial parks as they were needed. This approach was facilitated by close collaboration between public agencies and target firms.

Inter-governmental coalition

TANGIER, Morocco, leveraged national investment in a large new port to attract foreign investors in automobile manufacturing and supplier industries, which pay higher wages than previous local averages (Tangier case study annex in Kulenovic and others 2015, 6, 25, 32).

How they did it

- Morocco's government funded the construction of a new seaport facility, Tanger-Med, 35 kilometers from Tangier City. The new port would have capacity to accommodate large container ships and provide landside access for an expanded volume of commerce (which was limited in the old port).
- Major upgrades were also made to northern Morocco's road and rail connectivity. The highway and rail connections enabled rapid intermodal transfer of containers, bulk cargo, and motor vehicles and quick access from the port to nearby regional population centers, offering market access for manufacturing and logistics industries.
- City stakeholders worked hard to attract specific investors, including Renault, combining efforts of the national investment promotion agency, AMDI, with the city's local economic development entity, TMSA. One of the key dealmakers was the public sector offer to set up a dedicated automotive training center to provide sufficiently skilled workers, with skill needs identified through industry working groups.

What they achieved

Tanger-Med is now one of the largest intermodal facilities on the Mediterranean Coast and Africa's biggest container port with an annual capacity of 3.2 million 20-foot equivalent units (TEUs).¹³ The port has led to a rapid increase in investment in the Tangier-Tetouan region—for example, Renault initially employed 5,500 at the site, supporting up to 30,000 additional jobs in the region indirectly.

What cities can learn

Large-scale national infrastructure investment initiatives can unlock new growth potential for a city, if leveraged well. Tangier enjoyed maximum benefits from the new port development because it was well connected and governed by a dedicated agency that understood and targeted growth opportunities to benefit local companies.

Growth coalition/Inter-governmental coalition

BUCARAMANGA, Colombia, successfully lobbied for infrastructure upgrades that were most needed by the city economy (Bucaramanga case study annex in Kulenovic and others 2015, 13). It built a local private sector coalition to persuade the national government to fund the infrastructure.

How they did it

- The city chamber of commerce identified connectivity as a constraint in a 2004 study. Transportation was a key constraint to the growth of local firms.
- The study was used as a supporting document to lobby the national government. The results of the study could be linked to concrete infrastructure needs. For example, the airport reconstruction and expansion in particular aims to support the tourism sector as well as health services and precision manufacturing exports.

What they achieved

The national government responded by providing new investments, including the construction of new highways (the Ruta del Sol highway) and a new airport (Palo Negro Airport). Furthermore, the 2012 Bucaramanga Regional Competitiveness Plan included planned upgrades for all modes of transportation in Santander State.

What cities can learn

City needs can sometimes seem like a wish list for higher-tier government. Bucaramanga backed those requests with a study and linked that study to the industry sectors that could benefit most. It identified the value proposition for the national government's infrastructure investment.

Table 3: Competitive City Interventions in Enterprise Support and Finance

City government led

CHANGSHA developed a system of measures to attract new industries and diversify the local economy. The city offered incentives to favor specific industries, developed relationships with investors, and improved communication between firms and government officials.

How they did it

- The city government offered attractive incentives to investors, including preferential tax policies, funding (such as tax credits for high-tech research and development activities) and locational advantages in industrial parks (colocated input suppliers and component producers).
- The Changsha government's attentiveness and coordination stood out to investors. Industrial park organizing committees and independent management structures provided support to tenant firms (for example, addressing labor supply needs by conducting regular recruitment events).
- Changsha also supported firms through an intergovernmental coordination mechanism known as the Leading Group for an Open Economy, a committee to coordinate among various government departments, industrial park organizing committees, and top-level officials and keep them aware of progress and problems.

What they achieved

Automobile industrial output doubled between 2008 and 2012, reaching \$4.95 billion. Currently, firms in this industry include Bosch, GAC Fiat, Hitachi, and Lihong Automobile Design. A new Volkswagen plant is under construction; that plant will increase car production to 300,000 by 2016.

What cities can learn

Changsha's combination of tools—industrial parks, preferential tax policies, local supplier links, and coordinated government support—has been a “dealmaker” in bringing investors to the city rather than to competitors with similar endowments.

Growth coalition/Inter-governmental coalition

BUCARAMANGA'S chamber of commerce helped the city succeed by actively and continuously assisting firms trying to receive national support, including assistance in selecting and applying for funds (Bucaramanga case study annex in Kulenovic and others 2015, 15–16).

How they did it

- The chamber convened 70–80 business, academic, and government leaders to adapt and seek new growth areas to help the city survive in the global economy.
- The national government, meanwhile, created regional competitiveness commissions (RCCs) to serve this purpose—Santander Competitivo in Bucaramanga's case. The new RCC did much of what the chamber of commerce had done before: identifying national sources of support (for technology development, training, funding, export assistance, and so on) and submitting timely applications for its members.
- The chamber offered its assistance and office space to help operationalize the RCC. The RCC's full-time staff of four was paid by public and private funding and led by an executive director.

What they achieved

The RCC and chamber of commerce provide a mechanism for firms to leverage national programs and support, particularly to fund activities outlined in the RCC's regional competitiveness plan (such as funding to support nationally targeted sectors). The initiative involves working with SENA, the national learning agency, on worker training programs and with ProExport, the national export promotion agency, to provide export assistance to local firms.

What cities can learn

The chamber of commerce assisted its members and the city by identifying national support and funding schemes and submitting timely applications on behalf of its members.

Growth coalition led

COIMBATORE'S private sector stepped up to bridge the gap when the regional investment promotion body did not fully represent the interests of the city (Coimbatore case study annex in Kulenovic and others 2015, 22, 30–32).

How they did it

- KG Group—a private conglomerate offering information technology, information technology enterprise solutions services, business process outsourcing services, real estate development, and higher education—was the developer of a large office park in the city. To attract investors, it pitched Coimbatore to MNCs as a viable alternative to Bangalore and Chennai, with their growing labor and land costs and lower potential for growth. The city was presented as one with a highly educated, English-speaking workforce with engineering skills and practical training.
- KG performed typical economic development functions: analytics for business recruitment; industry and firm identification; and targeting, business expansion, and investor aftercare. KG also organized a dinner between prospective investors and the Coimbatore business community, showcasing the city's entrepreneurial and collaborative spirit.

What they achieved

KG Group has been able to attract Cognizant, Dell, and Bosch to its special economic zone, amassing 20,000 jobs. Cognizant, which employs 10,000, is looking to add space to employ up to 60,000 in the next three to five years.

What cities can learn

KG Group filled the role conventionally played by an economic development agency because Coimbatore lacked one. KG Group worked to shepherd new investment, doing so with extensive, systematic analysis not only to find and recruit investors but also to provide a menu of economic development support.

Table 4: Competitive City Interventions in Skills and Innovations

Growth coalition led

COIMBATORE'S private sector growth is directly linked to its thriving collection of vocational training institutions that produce a workforce with skills relevant to industry needs (Coimbatore case study annex in Kulenovic and others 2015, 9–10, 28–29).

How they did it

- Coimbatore's higher educational institutions were created by the city's family-owned firms and thus are shaped directly by current industry needs, in addition to helping to develop future potential in new areas. They offer practically oriented technical curricula developed in consultation with for-profit companies.
- Local engineering students spend part of each school day on the shop floor as well as in class. This regime is distinct from schools elsewhere in Tamil Nadu. Students graduate with relevant applied skills and extensive manufacturing experience.
- Coimbatore's engineering schools produce engineers and managers as well as shop supervisors and machine operators. The city has 10 universities, 60 engineering colleges, and 30 polytechnic and industry training institutes that prepare graduates with technical skills and specialize in fundamental disciplines such as physics and mathematics.

What they achieved

Coimbatore's colleges produce "150,000 employable graduates every year," according to a leading city conglomerate. About 1 in 10 of India's engineering colleges are located in Coimbatore, putting it on par with or above many cities that are larger in size, including Pune and Jaipur.

What cities can learn

Cities' growth can be rooted in training institutions that produce a workforce with practical skills to meet current needs and be relevant to growth in new areas. This directed training is achieved efficiently through the private sector's involvement in devising curricula, sponsoring internships, and as in Coimbatore, even running universities or university departments.

City government led

CHANGSHA, China, improved the quality of vocational training programs by stimulating competition among schools and strengthening links between schools and businesses (Changsha case study annex in Kulenovic and others 2015, 22–23).

How they did it

- Competition was stimulated among vocational schools. The municipal government encouraged competition by having schools publicize student national exam scores and employment rates, and it allowed for private as well as public competitors.
- Incentives and links were strengthened between schools and businesses. The government provided funding to schools on the basis of enrollment numbers, and it offered tax credits to firms for sending participants to worker training programs. Performance data on vocational schools were distributed among businesses. Funding was provided for training offices and fairs.

What they achieved

Changsha's firms have stated that labor has been relatively easy to find, and this fact has allowed for both continuous and new investment.

What cities can learn

Vocational training abounds in city efforts to improve skills. Changsha ensured that this training was effective. Its methods are replicable: some barriers to entry ensure quality and incentives spur competition among schools.

Inter-governmental coalition led

CHANGSHA attracted talent (highly skilled individuals) from within China by identifying the needs of firms, leveraging national programs, and engaging in additional recruitment efforts domestically and abroad (Changsha case study annex in Kulenovic and others 2015, 21–22, 24).

How they did it

City leaders

- Formed a "Leading Group" on talent attraction composed of civil servants from multiple municipal departments. Establishing the group enabled the city to coordinate tasks among municipal departments and with higher-tier government—and, most important, to solve implementation problems along the way. Key initiatives were to identify the talent needs of existing and emerging firms, to leverage available national programs and funding schemes for talent attraction, and to engage in recruitment efforts domestically and abroad.
- Attracted national talent using the 1,000 Talents program, which provided compensation packages for highly qualified Chinese nationals willing to resettle within China. Changsha's leading firms, Sany and Zoomlion, recruited high-level talent through the program.
- Used diaspora networks to attract new applicants from targeted industries, offering them jobs and incentives to start their own businesses in Changsha.

What they achieved

Some 10,000 professionals were attracted through national programs from 2009 to 2011, and the city has set aside Y30 million to fund future talent attraction programs. The city recruited 102 "high-level talents" and 17 start-ups in two years from municipal programs.

What cities can learn

Cities must be aware of and capitalize on national programs for talent attraction and to the extent possible use the logic of those programs to devise local initiatives. Talented individuals need assurances and incentives to relocate, and as Changsha discovered, they can be attracted to a good opportunity or even to start their own business.

Inter-governmental coalition led

TANGIER readied its workforce for expanding automobile production in its region, facilitating the learning of skills that could apply to the automotive industry, as well as TO aerospace (Kulenovic and others 2015).

How they did it

- Morocco ensured its nationally targeted sectors had an adequate supply of skilled workers. Sector priorities set by the Office of Professional Training and Employment Promotion (OFPPT) closely adhered to those in Morocco's Emergence plan, which targets key sectors. OFPPT works closely with the National Agency for the Promotion of Employment and Skills (ANAPEC), and together the two agencies offer an online tool for job seekers, an innovative program to commercialize entrepreneurial ideas, and customized training programs.
- Private industry provides feedback on the specific skills it needs through special institutional mechanisms—Organs de Gouvernance. These exist at both the national and local level, and the feedback is channeled to OFPPT, ANAPEC, and universities. ANAPEC conducts studies on sectoral workforce needs in which it collaborates with training institutes, universities, as well as human resources managers and sectoral professional associations.
- IFMIA, the Institute for Training in the Automotive Industry Trades, is operated by Renault next to its plant and serves to fill the talent pipeline in automotive production. IFMIA was tasked with training for jobs within Renault as well as for components suppliers. It was funded by numerous national agencies but operated by Renault, and it taught skills such as stamping, welding, riveting, assembly, hydraulics, pneumatics, electrics, materials handling, servo systems, mechanics, robotics, forklift operations, sanding, painting, and logistics.

What they achieved

Maintaining and enhancing the 5,500 direct jobs and 30,000 indirect jobs supported by Renault at its site in Tangier has improved the city's position in the automotive sector, helped solidify Renault's commitment to its Tangier location, and opened the way to auto industry growth. A Nissan plant is expected to be built in the area (a sister plant to the Renault one) and Delphi Automotive and Lear Automotive already employ 4,900 and 2,500, respectively.

What cities can learn

Tangier's workforce development programs closely aligned with its targeted sectors, which is critically important to establishing local capacity and enhancing the attractiveness of those sectors to increased foreign and domestic investment. The city made use of investment attraction strategies to draw several producers after Renault and provide the skilled workers those producers and local suppliers need to meet growing production needs.

The city wedge framework is being used in several World Bank Group projects to help identify the role of public sector institutions in creating an enabling environment for economic development—distinguishing between the municipal or local level and higher tiers of government. For example, in Malaysia, the framework helped identify the optimal location for particular service delivery functions within a government administration, including what levels ought to have planning versus implementation roles. In Cape Town, South Africa, the framework is being used to identify and address cross-de-

partmental coordination and management problems one-by-one, with fine-tuned modalities for each. In Rwanda, the framework is mapping the initiatives of job creation to the responsible institutions, and then recommending institutional forms that can support successful implementation. Finally, in Burundi, the framework is supporting a team in identifying the most effective institutions, public-private networks, and institutional channels to facilitate job creation as part of a new World Bank lending operation.

III. Organizing to Deliver

Many city governments find it difficult to determine the best structure and process for implementing policies to achieve competitiveness. How can a city work effectively within the limits of its government structures? How should the city partner with the private sector and other leaders? How can these partnerships be managed? How can the city collaborate with the national government to get support and resources? The challenges associated with implementation can make or break a competitiveness strategy.

The narrative below highlights the implementation structures cities often use, the common problems they face, and how they have overcome them. It also includes an implementation checklist for city leaders.

The first part reviews the alternative implementation structures that city's utilize to organize economic development, such as economic development agencies, delivery units, and public-private boards. The second part identifies the common implementation problems cities face including: coordination and accountability failures; lack of economic development strategy viability; limited engagement with the private sector; limited mandate to tackle local challenges. The case findings present the processes by which certain cities responded to these challenges. The third part contains a set of key implementation principles—an implementation checklist—to both diagnose and guide the management and oversight of city competitiveness interventions. The checklist provides the key elements of the implementation process that need to be in place in order to avoid and overcome the common problems cities face.

This analysis is based on a review of relevant literature and both primary and secondary case examples.

Drawing out applicable lessons on implementation at a sufficient degree of granularity required a two-step process. First, we began with an extensive review of existing research and reports drawing on insights from public administration, urban management, political science, organization psychology, and other fields. Second, we conducted an analysis of over 85 cases. This included the six primary case studies outlined above and a few case profiles conducted by our team, around 30 secondary cases of “turnaround cities,”¹⁴ 16 development agency case studies from the Organization for Economic Cooperation and Development,¹⁵ and a PricewaterhouseCoopers qualitative survey of 44 cities.¹⁶ An analysis of these cases reveals a range of factors which influence implementation.

Common Implementation structures

Cities can use several types of structures, formal and informal, for implementation of economic development functions. Below we highlight the following alternatives: economic development agencies; delivery units; and, public-private boards.¹⁷ Each approach to implementation has a different degree of institutionalization and varying economic development functions, and the approaches are not necessarily mutually exclusive.

Economic Development Agencies

Economic Development Agencies are city agencies that possess a wide range of economic development functions. Economic development agencies (DAs) can be defined as “legal, non-profit structures generally owned by the public and private entities of the territory (Clark and others 2010, 28).” DAs can fit into one or more of the following typologies: *development and revitalization agencies; productivity and economic growth agencies; integrated economic agencies; internationalization agencies; and visioning and partnership agencies.* The following are the common characteristics of DAs, along with a few steps outlining how a city could create a DA. The figure on the next page details the start-up process for Invest Toronto.

What are the common characteristics of DAs? (Clark and others 2010, 15-16, 36)

- **Spatial Scale:** Some cover a wide geographic area of a several thousand square kilometers while others can cover a narrow area of less than one square kilometer.
- **Budget and Staff:** DA staff numbers vary greatly, ranging from about 10 to 2,000. DAs may have long-term budgets (funded by national or international bodies) or receive funding only for the individual projects they run.
- **Accountability relationship:** DAs can be accountable either to their local communities or national or international bodies.
- **Common Functions:** DAs can have some but rarely all of the following functions: branding and international promotion; investment attraction and retention; business start-up and growth; human capital development; real estate, urban realm, and infrastructural development; social or green development initiatives; partnership facilitation, planning and visioning; and urban service provision or management.

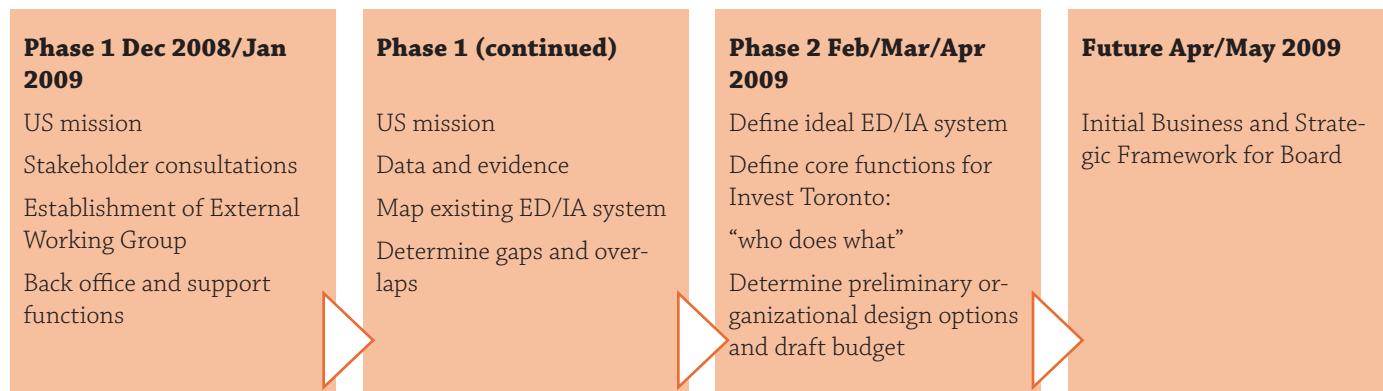
How does a DA get established? Properly setting up a DA may take months or even years, with the initiative coming from actors at the local, national, or international level. The following are four distinct phases (Clark and others 2010: 106-107):

- **Promoting the idea:** Involves creating stakeholder buy-in through prior consultation, whether it is through formal or informal networking and meetings or public events.
- **Establishing the DA:** Includes such organizational activities as appointing a board of directors and chief executive, recruiting operational staff and administrative teams, purchasing or renting premises, and acquiring an information and communication technologies system.
- **Starting the activity:** Once the DA is established, relevant actors—including the city public sector agencies, the private sector, and national and regional government—come together to begin developing and implementing a strategy.
- **Consolidation:** Outlining a process for constantly evaluating and recalibrating the activities to ensure that the organization addresses initial challenges and maintains direction and focus.

When should a DA be established? The following are a list of key factors (Clark and others 2010):

- Something specific needs to be done to **respond to a crisis in the local economy.**
- Local partnerships in the city exist, but **more needs to be done to increase local development activities.**
- **External activities—an infrastructure investment, increased trade or tourism, hosting a major event—present a major opportunity** to capture local economic benefits.
- **New tools or incentives become available** which would be useful for local development. DAs are usually able to achieve a legal or fiscal status that allows them to utilize new powers for asset management and public infrastructure interventions that may have otherwise been unavailable to the local government.
- **Opportunities arise with a new political climate** (clear and accepted political mandate) that promises a stable support program.
- **External organizations are ready to invest** if presented with credible “joint venture vehicles” (DAs).

Figure 4: Toronto’s process for starting up its Invest Toronto DA (Clark and others 2010, 107-108)



Delivery Units

Delivery units (DUs) are implementation structures established near executive power in order to drive improvements in performance. DUs have a mandate to use the authority of the chief executive to lead “the political and technical coordination of government actions, strategic planning, monitoring of performance and implementation, and communication of the government’s decisions and achievements (Shostak and others 2014, 3; Watkins 2014, 1).” These structures can be located at either the national or subnational level, and are increasingly being used by state and local governments. They are a relatively new addition to the institutional landscape of the public sector, pioneered in the last decade in the United Kingdom and the United States.

Most DUs focus on a limited number of high profile objectives, which may encompass economic development interventions. Depending on the degree of political commitment to a particular set of objectives, a DU may be a good technique for a mayor to employ across a range of outcomes.

What do DUs typically do? (Watkins and others 2010, 2)

- **Focus political pressure for results** by being physically located in the office or having the direct authority of the chief executive of the city government.
- **Provide a simple and direct mechanism for monitoring** performance on government priorities.
- **Signal key government delivery priorities** within and outside of the public sector.
- **Provide a signal that government is being held accountable**, by holding the unit and individual government departments accountable to meeting priorities.
- **Support innovation and coordination** across government, and a forum to involve government actors in solving common problems.

There are a variety of DUs that cities can utilize. Some are more institutionalized than others, and are built to last across administrations. Others operate more like a project implementation task force unit. Box 4 on the next page describes a delivery unit in Baltimore known as CitiStat.

Box 4: Baltimore’s CitiStat

Then-Baltimore Mayor Martin O’Malley initiated CitiStat in June of 2000. CitiStat set three objectives: to improve agency performance; increase agency accountability for performance and resource utilization; and improve the quantity and quality of services provided to citizens.

The essential features that define the CitiStat process involve:

- ✓ The **collection of timely and accurate intelligence** on operational performance (weekly data).
- ✓ **Organization and analysis of this intelligence** by a small analytical unit (3-5 people).
- ✓ **Regular, structured performance meetings for senior management** (agency heads, the CitiStat Office and the mayor) to review performance on mandated goals and objectives and solve problems.
- ✓ **Strict accountability through relentless follow up and assessment**, determining (through meetings) whether policy adjustments, strategic changes, performance measures, or resource decisions were required (while avoiding blame-shifting, obstruction and/or repeated failure).

CitiStat changed the performance paradigm by clarifying performance objectives and expectations, with the objectives jointly determined by respective agencies and the Office of the Mayor (with a strong enforcement role). Through biweekly monitoring and tracking of agency performance goals and objectives, the city improved performance on city goals as well as state and federal expectations, with positive implications for state and federal funding) (Henderson 2003, 12-13, 15, 21-22).

When is a DU the right intervention? The following is a list of critical issues to consider (Shostak 2014, 4-7):

- **Are results politically significant to the government?** DUs must have the sponsorship of the center of government. Thus, the unit must sit within the Office of the Chief Executive, and be able to collaborate with the relevant public finance agency (commonly the Ministry of Finance or Economy at the national level). DUs require access to information and decision makers in order to unblock barriers.
- **Does the center of government already effectively monitor and manage for results?** A DU could add value if no other body within the center of government has a similar focus. DUs have the unique characteristic of being meant for the implementation of policy as opposed to developing or funding policy. DUs are meant to work on the achievement of results, and to work with those responsible for results in order to improve performance.
- **Does the government have established priorities? Does it know what is being achieved?** DUs aim to make use of data in a way that benefits citizens. Most DUs focus on selected priorities that are citizen facing—public services such as health, education, and transport. A DU requires frequent and reliable data in order to achieve clarity on what results look like and when results are expected, and then to measure the results achieved. One important data point involves determining whether public perceptions support the objectives and performance of government initiatives.
- **Are roles and responsibilities for getting results clear? Is there a need for additional, internal accountability arrangements in government?** It is crucial that the prime purpose of a DU be established. One purpose is reviewing underlying accountability relationships and incentives within the city government. This requires an understanding of individual departments at the city level as well as their collective impact on delivery partners. Some DUs accomplish this by employing performance contracts or agreements between departments, subordinate agencies, department heads, and the chief executive. A lead department can be assigned to coordinate efforts involving multiple departments.
- **Is greater understanding needed on how policy is actually implemented at the center?** DUs can play an important role in “systems learning,” capturing and disseminating lessons learned from “what works” in implementation across government sectors. This may involve understanding the skills, motivation, and incentives of frontline workers (e.g. nurses, social workers, and service specialists), and in learning what ensures that they effectively implement government priorities.
- **Do routines exist to help drive improvement?** Regular reporting, senior problem-solving sessions, delivery planning, tracking progress and dashboards are examples of routines that help drive a culture focused on results. A DU provides momentum to these efforts to support policy implementation and reform, and these routines help identify lagging performance and the need to “unblock delivery obstacles.”
- **Do mechanisms exist to manage cross-departmental work?** Public service outcomes, such as achieving job growth or improvements in tertiary education, often require government departments to work together. DUs can support work across these departments within existing inter-governmental coordination arrangements.

The right delivery implementation structure for a particular city depends on a few key issues:

- **Existing vs. New Structure:** Certain tasks can be implemented through the existing institutional architecture and do not require a new structure. A clear understanding of the institutional landscape is necessary.
- **Political capital & timing:** If a new structure is needed, how much time is required to set it up, and what is the feasibility—political and otherwise—of doing so? How close will this structure be to the city executive?
- **Resources:** What functions should the DU fulfill? Should it have a comprehensive role or serve merely to monitor or facilitate implementation of certain tasks?

Public-Private Boards for Economic Development

Public-private boards are typically informal bodies that have a majority private sector membership. This alternative often involves more private sector input than Development Agencies or Delivery Units. (DAs can also be private-sector led, but generally not to the degree of public-private boards.) Public-private boards can often function informally, sometimes simply serving as a platform for information sharing and consultation (OECD 2015, 4).

The following will outline the main components of these structures, utilizing the Local Enterprise Partnership (LEP) example from the United Kingdom (Larkin 2010).

- **Public-private boards can be assigned certain powers or missions by government agencies,** and these may include developing strategies for transport and housing strategy, and drafting spatial plans for a city's metropolitan area. Other designated tasks could include overseeing skills funding allocations, or even exercising borrowing power to fund new investment.
- **Public-private boards should engage the private sector while remaining accountable to residents.** Board composition should reflect the needs of the city residents (as represented through government) as well as the critical input of businesses, which typically can provide up-to-date information on business needs and future growth sectors. Accordingly, these boards usually include local authorities (heads of local governments within a metropolitan area), as well as representatives of the area's business community (business associations and leading firms).
- **Public-private boards require support and funding.** The degree of support will depend on the scope of activities a city sets out for a board.
- **Identify how a public-private board will cooperate with local government authorities.** Often times, the mayor or city manager serves as the chair of the board to ensure the necessary high-level support. This can also enable the board to serve in an advisory role to government instead of being seen as a competing entity.

Table 5: Summary of Three Types of Implementation Structures for City Economic Development

	Economic Development Agencies (DAs)	Delivery Units (DUs)	Public-Private Boards for Economic Development (PPBs)
Purpose	Tailor-made city agencies for economic development, spanning a range of potential functions from urban development to business support and strategic planning for the city or metropolitan economy.	Established near executive power to drive improvements in performance; most DUs focus on a limited number of high profile objectives aligned with an election mandate.	Informal bodies that often have a majority private sector membership and serve as a platform for information sharing, consultation, and strategic planning for economic development.
Geographic Coverage	Varied: From an entire metropolitan area to a few city blocks.	Varied: can be located at national or subnational level, and are increasingly being used by state and local governments. Typically address a limited set of objectives that cross institutional boundaries.	Can function at the city or metropolitan level. Though usually informal, boards can be delegated certain powers by city agencies.
When to use it	Typically used to address a crisis in the local economy requiring targeted responses; when an external activity (infrastructure investment, increased trade, or hosting a major event) presents a local economic development opportunity; or when new tools and/or incentives become available to a city.	Usually created when governments give particular political significance to achieving results, when no central government entity oversees performance of line ministries towards key objectives, and when inter-departmental coordination is required to achieve objective.	Often formed when government and private sector actors realize the mutual need benefit of coordination between the public and private sector and across administrative and territorial divisions.
Budget and Staff	Staffing: 10 to 2,000 Budget: either long-term budgets or based on project funding.	Varies significantly. Can be staffed using existing resources or through contracting-in needed skills (e.g. Malaysia's Delivery Unit)	Require separate support and funding depending on the scope of activities a city sets out for such a structure
Accountability	Answerable as public entities to their local constituencies or national government.	Employ performance agreements and other techniques to create clear expectations between lead ministers and senior executives and the mayor, governor, or prime minister.	Engage the private sector while remaining accountable to residents.

Common implementation problems

The implementation of any municipal public program—whether designed to improve economic outcomes or not—is a dynamic process driven by complex interactions between agents and the institutional and structural environment in which they work. The key variable is not which policy objectives are being sought but rather the ability of the government to implement agreed policies. City leaders often face a range of difficulties in implementing city competitiveness interventions—whether providing a better public transport service or more effectively targeting specific industry clusters.

A number of underlying weaknesses in public management systems or governance contribute to policy implementation failures. To identify which challenges most seriously impede implementation of competitiveness interventions, we examined findings from the above case studies, using both primary and secondary sources, to develop a list of the most significant problems cited:

- Coordination and accountability failures
- Lack of viable economic development strategy
- Limited cooperation with the private sector
- Limited city mandate to tackle local challenges

The inability of governments and city leaders to respond to these problems often leads to poor service and policy outcomes. However, cities have proactively responded to these issues, utilizing approaches and processes that can be instructive to their peers.

Box 5: How Invest Toronto and Build Toronto Work

Invest Toronto

Invest Toronto identified 6 priority areas, and divided up tasks for each among the CEO, Board and ED divisions.

The structure is accountable to City Government, and reviews performance with internal key performance indicators (KPIs) and through annual reports to City Government.

Build Toronto

Build Toronto is led by a 12-member board of directors with a staff of 30 to 35 organized around a primary focus on real estate development and maximization of land value.

It is also accountable to the city government and to meeting key financial and non-financial performance metrics.

See Clark and others (2010, 304-305, 309-310).

Coordination and Accountability Failures

One of the most commonly cited governance problems or constraints, irrespective of the functional area of government, is the lack of coordination between roles and responsibilities within governments.¹⁸ The prevalence of “coordination failures” has been noted as a key feature of local economic development as well.¹⁹ OECD case studies of city development agencies, including in Toronto and Leicester, offer examples of cities addressing coordination failures. This was also observed in the competitive cities project case study in Changsha, and is well documented in the frequently cited Baltimore case described above in Box 4 (Clark and others 2010, 130). Box 5 below summarizes the Toronto case.

Baltimore set up a “PerformanceStat”/Delivery Unit, CitiStat, to overcome silos between government departments, and solve problems in coordination and underperformance more generally. PerformanceStat is defined as “a focused effort to exploit the power of purpose and motivation, responsibility and discretion, data and meetings, analysis and learning, feedback and follow-up (Brookings 2014).” Baltimore CitiStat’s process has the following essential features, as highlighted in Box 4 above: the collection of timely and accurate intelligence; organization and analysis of this intelligence; regular, structured performance meetings for senior management; and, strict accountability to both follow up on the process with necessary strategic changes and maintain accountability towards obstructions and repeated failures (Henderson 2003, 21-22). Government entities at all levels in the United States and around the world have employed the PerformanceStat strategy to improve government performance.²⁰ Two big lessons drawn from the application of PerformanceStat are that it only works if the analytical team is set up and empowered, and if the mayor (or unit executive head) sticks to a demanding schedule of review meetings.

Toronto incorporated two new economic development agencies to fill in gaps in its growth initiatives. Gaps were identified in investment promotion, whereby several government agencies at the city, provincial, and national level, as well as a number of business associations, had overlapping and contradicting agendas. The city responded by organizing several functions into two new bodies: Invest Toronto, an outward-facing organization focused on attracting investment and tapping into international markets, and Build Toronto, an inward facing organization tasked with property development, brownfield redevelopment and job creation (Clark and others 2010, 105, 293-294). See Box 5 above for more on these agencies.

Changsha utilized “Leading Groups”²¹ as inter-agency mechanisms to implement specific initiatives and/or coordinate tasks among various departments. The process of Leading Groups includes creating a clear purpose-driven objective, a practice of escalating problems up a chain of command if they cannot be solved at a particular tier, and meetings at each tier of the chain of command to solve problems. Leading groups are created around clear pur-

pose-driven objectives such as attracting foreign investment, recruiting talent, and building the electronics industry.

The purpose and composition of a Leading Group for any particular objective is outlined in a brief document (three to four pages), and ratified by government decision at the relevant administrative tier. Junior- or working-level officials submit any problems they have in achieving their purpose to the Leading Group's office, which attempts to solve the problem. If it cannot, it moves the problem to a "Vice-Leading" Group (led by the Vice Mayor), which meets quarterly. If the problem remains unsolved, it is moved to a "Small Leading Group" in which the Mayor gathers department heads to attempt to solve it. Finally, if there is still no solution, the problem goes to a "Full Leading Group," held semi-annually, which is authorized to tackle intractable problems and make a policy change if necessary.

The process provides inter-agency coordination and a means of keeping higher level officials aware of progress or problems in achieving key government objectives. While departments can volunteer problems to the structure, the Leading Group mechanism is intended to catch problems as part of a regular routine of reporting. This reporting takes place in weekly, monthly, and quarterly intervals with a range of recommended actions at each interval, as outlined above (Kulenovic and others 2015).

Lack of Economic Development Strategy Viability

A long-term strategy lacks viability if not underpinned by a realistic financing envelope and operationalized through annual plans. For long-term strategies to be relevant, they must be framed in terms of business and economic cycles rather than short-term electoral cycles (Moir and Clark 2014, 38). Certain cities have found ways of making these plans more credible and long lasting. Lagos ensured that a budget framework supported its policy goals, and several cities in a recent OECD study, including Cape Town and Boston, took steps to improve the content and endurance of their economic strategy by involving the private sector.

Lagos' State Economic Empowerment and Development Strategy (LASEEDs) set out goals in infrastructure, employment, security, and health and revenue enhancement (Filani 2012, 18-19).²² The initiatives of the Lagos State Government were underpinned by budget planning, and performance was monitored through the creation of government agencies that could coordinate objectives across different departments (Filani 2012, 19-20; Kuris 2014, 10-11). See Box 6 for how Lagos turned its strategy into reality.

Strategic plans should set out major objectives and targets for resources, activities, outputs, and outcomes. Thus, the *policy cycle* (policy preparation) should inform the *financial cycle* (budgeting). Strategic plans then need to be implemented and monitored through some sort of monitoring arrangement,²³ and can be supplemented by specialized monitoring instruments within policy sectors (e.g. crime

monitors similar to those employed by Compstat in New York City; quality of life monitors, etc.). Evaluation follows, and incorporates performance information, which feeds into the subsequent strategic plan. Budgets should therefore correspond to strategic plans, incorporating the same information from the strategic plan in a different way, and for different purposes. Budgets allow as well as oblige spending on certain line items (input budgets), and on resources to attain specified output levels (output budgets) (Van Dooren and others 2010, 81-82).

Cities have devised long-term strategies, which set out roles for the public and private sectors, research institutions, and other actors. Local government often lacks the inclination or resources to think and plan long term (Moir and Clark 2014, 38). Cape Town's economic development plan was designed in a way that ensured that the local government would not be solely responsible for maintaining and leading economic development efforts. The Cape Town Economic Development Partnership (EDP) identified six membership categories as stakeholders, including government (city, provincial and national), business, labor, civil society, knowledge-based institutions, and local economic partnerships. One Cape 2040 is the city's long-term strategic framework, led by the EDP, which, besides promoting dialogue and partnership, identifies specific economic activities.

Competitive cities manage to achieve continuity in their economic development trajectories across electoral cycles. In doing so, they overcome the inherent difficulty in relying on a new administration to continue the initiatives of its predecessor. New administrations naturally look to put their stamp on a city by launching initiatives (and

Box 6: From Strategy to Implementation: Lagos' Plan

The achievements of LASEEDs were coordinated at the highest level by a biennial Lagos State Economic Summit (Ehingbeti). In addition, a State Executive Council was formed as a senior policy making body, and held weekly meetings with 42 government staffers, including political and civil service leaders. The Council initiated reforms encompassing state and local offices and ensured top-level political support from the Governor. Lagos' second democratically elected state governor, Babatunde Fashola, established an Office of Transformation in order to institute a process reform approach across all government offices. State offices were assisted in the creation of service charters and mechanisms to set goals and ensure accountability. Governor Fashola stated: "The ministries now each have their own service charter, drawn up by them, about what they hold themselves accountable to do within a time frame." Government efforts are ongoing; the initial pilot government offices involved those which were deemed to have the highest impact on citizens' lives (Filani 2012, 19-20, 42; Kuris 2014, 5-6, 10-11).

undoing the preceding administration's initiatives). Economic development interest groups, however, have used two techniques to combat this issue: (i) Establish an economic advisory board to provide feedback, consultation, and help hold the city to account; and (ii) Establish a legal mandate for strategic planning.

Cities have set up economic advisory boards as public-private structures to strategically advise and lead economic development at the city-level (Clark 2013, 37). The following are examples of cities that have instituted such structures: Amsterdam (**the Amsterdam Economic Board**); Boston (**Boston World Partnerships**); Manchester (**the Greater Manchester Local Enterprise Partnership**); and Oslo (**Oslo Teknopol**) (Clark 2013, 37, 42-43). These public-private structures are relatively unusual—indeed the OECD finds that less than one tenth of governance bodies include members from the private sector and other city interest groups (OECD 2014, 88). Such Boards allow for decision-making on economic development initiatives to be made in consultation with economic stakeholders, aiming to build a citywide consensus on strategies, programs, and projects. Thus, newly elected administrations will find it more difficult to abolish initiatives that are backed by key city actors.²⁴

Limited Cooperation with the Private Sector

Economic interventions by city governments are more likely to be successful if they benefit from shared information, understanding, and cooperation with the local private sector and other local economic development organizations. The relationship between public and private sector leaders becomes more important when city governments have limited scope for economic development, and seek to increase their influence by cooperating with the private sector. The private sector can offer expertise about growth sectors, reducing the risk that erroneous assumptions could lead cities to design the wrong mix of commercial and residential property. The private sector can provide support to initiatives to improve the business climate. Private companies can strengthen a city's international linkages. And, crucially, the private sector is vital to job creation and can help ensure that a link is established between young graduates and prospective employers (Clark 2013, 45).

Several cities, however, do not have a strong, collaborative public-private coalition, and recognize that they need to improve upon their existing collaboration. Birmingham, England, realized it needed to develop "Team Birmingham", a coalition of its public and private sector leaders. Yokohama recognized that its key public and private actors were estranged from one another. Barcelona found that its effort to bring together public and private city leaders exposed disagreement between them on public and private sector priorities (PricewaterhouseCoopers 2005, 89, 97, 169).

The Public-Private Dialogue (PPD) work of the World Bank Group and other international financial insti-

tutions outlines the principles and process of public-private collaboration (Sivaev and others 2015).

While PPD is a flexible approach that allows for adaptation to various conditions and objectives, the process begins with mission scoping and stakeholder mapping, and continues to diagnostic and design stages. Ultimately the design of any particular PPD and its implementation varies greatly, and may take any shape as long as it meets its outlined objectives and reflects local conditions (Sivaev and others 2015).

Oslo created two new institutional structures: Oslo Teknopol, as a non-profit economic development agency, and Oslo Knowledge Partnership, to promote research-based knowledge. Oslo recognized its relatively narrow maneuverability at the city level vis-à-vis the national government. To overcome this, the city government partnered with the private sector and research institutions at the metropolitan level to create two separate institutions. The City of Oslo and Akershus County Council created Oslo Teknopol, the city's non-profit development agency, as a strategic economic development body. Oslo Teknopol is now one of the leading drivers of collaboration in the city, bringing together business, research, and higher education, as well as local and national government agencies. The agency created a mechanism for the city to bring its leaders together to stimulate innovation and coordinate efforts to attract talent and foreign investment (Clark 2013, 149-150; Oslo Teknopol). *Kunnskap Oslo*, or Oslo Knowledge Partnership, is a collaborative initiative by the City of Oslo and more than 30 partner institutions from research and higher education. It seeks to promote Oslo as an international knowledge center, and highlight advanced research in life sciences, technology, environment, and society. In addition to promoting the more targeted use of research-based knowledge, the Partnership works to attract talent to research and higher education (Clark 2013, 150; Oslo Business Region).

Boston stimulated interaction with its local private sector through Boston World Partnerships (BWP), which became a strategic partner to its city government. BWP brings the business expertise of an expanded global reach and inherent market awareness, helping internalize these competencies in city operations. Chaired by the mayor, Boston World Partnerships (BWP) is comprised and financed jointly by the public and private sectors. It started out with a \$1 million grant from the Massachusetts state government and \$400,000 from Proctor & Gamble. The senior board includes Boston's former Chief Economic Development Officer and senior representatives from Harvard Business School and firms such as Bain Capital Ventures. The mayor and key business and academic leaders form a broad group of stakeholders equally invested in the city's success. BWP focuses on marketing efforts to promote the city's established clusters and a "Connector" program of business leaders supporting one another by providing access to venture capital and new potential employees and collaborators. The ultimate goal is to promote Boston's vitality globally. BWP helps ensure that the right business environment and spatial conditions are available to the city's growing firms.

Much like Oslo Teknopol, BWP's purpose is geared more towards creating productive relationships within the business community, and between business and government, "rather than generating one-off opportunities for sales and transactions (Clark 2013, 42-43)."

Limited City Mandate to Tackle Local Challenges

Several cities cite the challenge of lacking the adequate authority and resources to meet the demands of their city. A qualitative survey by PricewaterhouseCoopers revealed this sentiment among city managers in Toronto and Montreal, in Canada, Brisbane, Australia, and Manguang and Tshwane in South Africa (PricewaterhouseCoopers 2005, 99, 133, 137, 157, 159). The issue is particularly salient among cities in the United Kingdom, which is considered one of the OECD's most administratively centralized countries (Katz 2014; RSA, 15). City governments have responded to this issue through national-level decentralization schemes, for example in the United Kingdom. The problem is that the devolution of responsibilities and resources from higher to lower tiers of government is typically driven solely

by national government initiative, and applied universally (although, as we will see, the United Kingdom is an exception to this rule). Cities can best utilize such powers when they are tailored to their particular needs and capabilities. Another way for a city to increase local authority is to apply its intergovernmental leverage, either by cooperating with other local governments or strategically lobbying the national government.

The United Kingdom has taken a unique approach to devolution by offering an array of policy measures to cities, recognizing the differences between cities and avoiding a one-size-fits-all approach. The national government requires cities to improve their local governance arrangements as a prerequisite for devolution of administering and financing powers (Bolton 2013, 5). The City Deals program offers cities new powers—and funding—over service delivery functions such as transport and business development (OECD 2015, 82-84). Box 7 discusses the Manchester's City Deal arrangement and the program's rollout nationwide.

Box 7: The United Kingdom's City Deals Incentivizes Cities to Improve Local Government Arrangements

The United Kingdom's national government offered to devolve new powers to its cities through City Deals, which provides them greater authority over transport, infrastructure, business development, education, and planning issues. The program required cities to establish stronger governance arrangements (e.g. an elected mayor, greater coordination among local authorities). Each city in the country is eligible to negotiate such a deal.

Greater Manchester agreed to a City Deal in 2012 after it had united the metropolitan area's 10 local authorities into a Combined Authority, the Greater Manchester Combined Authority (GMCA), in 2011. The GMCA developed a Greater Manchester Strategy and established Transport for Greater Manchester (TfGM) as GMCA's executive body for transport functions. GMCA, TfGM and other Greater Manchester institutions set out clearly defined roles based on agreements between the area local authorities.

Manchester's City Deal earned the city a revolving infrastructure fund, allowing the city to earn back a portion of additional tax revenue generated from local investment in infrastructure and the resulting gross value added increases. Other measures include creating a City Apprenticeship and Skills Hub to place apprentices with SMEs, and strengthening of the Business Growth Hub, which integrates trade, investment, and businesses advice. Notable achievements for the GMCA include: major refurbishment of the Bolton and Rochdale railway stations as part a city region transport investment program; raising an annual "Revolving Infrastructure Fund" worth £30 million; and permission for the building of up to 7,000 new homes by 2017.

Manchester is one of eight British cities to have made such deals. All participating cities improved their local governance arrangements as a prerequisite. An additional 20 cities were negotiating such deals with the government throughout 2014. See RSA (2014, 15, 31); Greater Manchester Combined Authority; Smith (2012, 2 26); Wilcox and others (2014, 11).

Manchester needed first to create a Combined Authority before it could receive a City Deal offer. The national government required the city to collaborate within its metropolitan area and its 10 local authorities. The Greater Manchester Combined Authority was established in 2011, and allowed the city to match its political geography with its functional economic area. GMCA works with its constituent authorities in a set of powers and responsibilities in economic development and transport (Smith 2012, 2).

Bucaramanga has worked collectively—mainly within the private sector—to satisfy city needs by tapping into higher-tier government resources and funds.

Bucaramanga Chamber of Commerce competitiveness initiatives were among the most targeted and well-organized of the case study cities, and are outlined in Box 8. The Chamber's proactive and targeted agenda made it well placed to eventually tap into expanding national government support.

Box 8: Bucaramanga's Chamber of Commerce Reaches Out to National Government

The Chamber's initiatives were targeted, organized and they gave Bucaramanga a mechanism through which it could access an expanded menu of support—adapting to the national government's competitiveness agenda. The Chamber's initiatives are summarized in the points below:

- The Chamber established an Investment Promotion Agency in 1986 to attract foreign investment and support local firms' export efforts;
- More recently, based on a study conducted by the Chamber, it identified infrastructure as an impediment to the city's competitiveness and lobbied the national government using the study to justify its requests;
- In 2006, the Chamber convened 70-80 of Santander's leaders from the business community, academia, local, state and national government representatives, and labor unions in a "Regional Competitiveness Forum". The

Forum identified economic priority areas: accessing the growth potential of individual industry sectors and creating a competitiveness commission (headed by local nominees).

- The Chamber adapted to the newly established a national competitiveness agenda for cities, and offered to co-locate the new nationally mandated Santander Competitivo regional competitiveness commission (RCC) within its premises.
- The new RCC allowed for new formal channels for the Chamber to access national level support, such as accessing support and funding on targeted productive industry sectors and working with national agencies to support workforce development (Kulevnic and others, 2015).

An Implementation Checklist for City Leaders

City leaders are increasingly focused on ensuring that the policies and programs they develop are properly implemented. The process outlined here enables city leaders to identify the steps and the network of actors they will need to influence (through cooperation with the private sector, neighboring jurisdictions, and higher tiers of government) to deliver on agreed priorities for fostering competitive cities.

This User's Guide presents the city wedge framework in order to first frame the points of leverage that cities have at their disposal to implement well-designed programs. City leaders implement interventions by maximizing their own scope and capacity, cultivating a collaborative relationship between the public-private-research sectors, and leveraging collaboration and support from intraregional networks and higher-tiers of government. These three points of leverage make up the city wedge, and in cities it is these three configurations of actors that impact competitiveness, whether in workforce development, access to finance, enterprise development, streamlining institutions and regulations, or improving infrastructure. Evidence from the six primary competitive cities case studies suggests that this framework is applicable, and that cities utilize each of these three avenues to varying degrees.

When competitiveness interventions fall short, it is often due to pitfalls in a city government's program or policy implementation. This guide identified four common challenges relevant to cities: 1) coordination and accountability failures; 2) lack of economic development strategy viability; 3) limited cooperation with the private sector; and 4) city lacking scope to tackle local challenges. The paper then presented the ways in which cities have responded to these challenges. In addition, it has presented three common organizing structures that cities are already pursuing for implementing economic development strategies, 1) economic development agencies; 2) delivery units; and 3) public-private boards for economic development.

In light of the findings on the common problems cities face in implementing their programs and policies, how can city leaders prepare to successfully implement a competitiveness intervention? The checklist below is meant to provide support to cities in order to improve implementation. It builds off of existing organization readiness assessments and problem-driven approaches which emphasize the importance of strong foundations and adaptability during implementation.²⁵

Building consensus and preparing the groundwork:

- **Create a shared analysis and understanding of problems and challenges to achieve a clarity of purpose** both within city government and as a result of a public-private dialogue.
- **Activate personalized leadership, with senior leaders owning the objectives** through the involvement of key executive government offices and through the formation of a representative board with leaders from public, private and research sectors.
- **Gather a dedicated, diverse, and capable team to drive the program.**
- **Ensure that a public-private coalition underpins the city's engagements on competitiveness**, with tasks shared among the different actors and a significant degree of private sector ownership (this could be through joint public-private boards or through the cooperation between distinct bodies).

Calibrating for successful implementation:

- **Develop a realistic timeline**, which draws on the insights of those responsible for implementation.
- **Ensure that activities and interventions are sufficiently resourced** (through city government resources, utilizing private capital sources, and through accessing higher-tier funding).
- **Assess the political dimensions of program**, and in some cases disentangle particular reforms from specific politicians or parties. Include private and other stakeholders in the program to offset it being excessively identified with a particular politician or party.
- **Adapt the sequencing and level of ambition of the program** to respond to the capabilities of government departments, taking into account the specific concerns of leading officials. If capabilities are insufficient, consider targeted interventions.
- **Ensure leaders and teams articulate a compelling vision.** Display empathy for governmental challenges and work hard and in collaboration to address them.
- **Gain personal accountability of key officials critical for progress.** Ensure that there is sufficient accountability from the top down (within government), and also from the bottom up, supporting a process with private sector and civil society buy-in.

Monitoring and adjusting implementation

- **Establish standards for the ongoing monitoring of execution and performance.** This will require developing meaningful outcome measures for programs, agencies, and the community.
- **Set-up the protocols for reviewing performance information.** A number of countries have introduced data-driven reviews to improve program performance.
- **Routinely report on progress** to determine whether programs are achieving desired results.
- **Build and maintain the capacity for ongoing quality improvement.**
- **Manage evolving situations** in order to make mid-course corrections.

This guide does not provide a city with ‘the’ answer, but, as a city confronts challenges, it offers a process and set of analytical guideposts to determine the relevant questions to ask and steps to take. Cities will be most successful at nurturing firm growth when utilizing all of their points of leverage, working in concert with the private sector and other levels of government. Implementation of policies and programs will be successful when a city ensures it has the necessary structures, processes and feedback loops in place.

Notes

¹ Bruce Katz and Jennifer Bradley emphasize the advantages of cities as opposed to the federal government: cities are able to think more long-term than higher government tiers; cities are results and action oriented, as opposed to process oriented; cities make up organic communities of stakeholders at the local level, and not “hardened silos”; cities are more attuned to their specific assets, attributes and advantages, instead of prescribing one-size-fits-all solutions; and, lastly, cities and metropolitan areas must create networks to achieve common goals and community trust, and go beyond partisan calculus. See Katz and Bradley (2013, 5, 7-9).

² Stakeholder mapping is a useful tool for identifying relevant actors and their remit and interests in specific programs and policies. See, for sources and templates for carrying out a stakeholder analysis, Cities Alliance (2007, 9, 107-109); Herzberg and Wright (2006: 33-38, 66).

³ For further details on the case studies, see Kulenovic and others (2015).

⁴ Growth or reform coalitions are formally defined as “a (formal or informal) political mechanism and process utilized and formed by state and business actors, initiated by either, which enables them to work cooperatively to address specific state and market collective action problems through the pursuit and implementation of a specific economic reform agenda, while retaining their independence from each other. See Peiffer (2012, 7).

⁵ However, we do not always observe a coalition in practice, and certain stakeholder groups may lead competitiveness interventions in place of the public sector.

⁶ Our focus here is the range of policies that city-leaders can hope to influence, compared to those are pre-determined by higher levels of government.

⁷ Cities are part of distinctive intergovernmental administrative, financial and political systems, and the administrative scope and capacity of city governments varies greatly from one city to the next. Competitive cities project’s Mayor’s Wedge Framework analyzes a city government’s scope—government powers and functions—as well as capacity—its ability to perform its functions well—in order to provide a lens to analyze the institutional context of city government.

⁸ For further information on the four drivers of city competitiveness, see World Bank (2015a).

⁹ The Competitive Cities team has developed an economic diagnostic tool for cities that has been successfully piloted in several South African as well as Malaysian cities. See Sivaev (2015).

¹⁰ Proactive initiatives in “finance” were not observed in our case study findings. Kigali did extend finance to its credit-constrained small and medium enterprises, but it did so through offering land titles and thus is included in the “Institutions & Regulations” category.

¹¹ KGiSL stands for K Govindaswamy Information Systems Private Limited. It is now a conglomerate of companies but started out as a cotton-trading venture by Shri.K Govindaswamy Naidu in 1932.

¹² Indian cities are classified according to a three-tier system, as Tier-1, Tier-2 and Tier-3 cities. The classification is based on city population with the most highly populated cities classified as Tier-1 cities and the least populated classified as Tier-3 cities.

¹³ Twenty-Foot Equivalent Unit, a standard linear measurement used in quantifying container traffic flows. For example, one 20-foot long container equals one TEU, while one forty-foot container equals two TEUs.

¹⁴ “Turnaround cities” refers to cities from the U.S., OECD countries and beyond that used innovative solutions to recover from economic hardship. See: Kodrzycki and others (2009); KPMG (2014); Clark and others (2013).

¹⁵ See Clark and others (2010).

¹⁶ The qualitative survey includes top city officials noting their internal challenges. See PricewaterhouseCoopers (2005).

¹⁷ These implementation structures were the most prevalent among the case studies and relevant literature reviewed for this section.

¹⁸ This may often result in staff from disparate government departments failing to implement a policy, or for several conflicting policies to be pursued at once. Resulting inaction regarding a particular policy may lead to a blame game within the involved implementing bodies, or two or more agencies may actually be pulling in opposite directions, creating an atmosphere of confusion, distrust and leading to a scaling back of the desired initiatives. See Tavakoli and others (2013, 16-17).

¹⁹ Coordination becomes even more important when the public and non-public sector is involved; this is often the case in a “local development system”—the network of public, private and non-governmental actors partners working collaboratively for local economic growth, social cohesion and employment generation. See Clark and others (2010, 130).

²⁰ City examples include Cincinnati, Louisville, and Somerville. For more, see Clark (2015).

²¹ Leading Groups are a commonly used mechanism throughout China.

²² The strategy originated from the 10-point plan by former governor Asiwaju Tinubu.

²³ Models to guide this process include Balanced Scorecard (BSC), European Foundation for Quality Management (EFQM) and others. For more see Van Dooren and others (2010, 82).

²⁴ See, for a more detailed exposition, the case study of Rosario, Argentina in Steinberg (2002, 20).

²⁵ This checklist builds on previous frameworks and approaches, including a recent paper by the UK Institute for Government and other related literature. See Panchamia and Thomas (2014); Hanleybrown and others (2012) identify five conditions for collective impact, which include: common agenda; shared measurement; mutually reinforcing activities; continuous communication; backbone support in channeling change; Kohliand others (2011).

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