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ADNAN SÖYLEMEZ
SELÇUK UNIVERSITY, TURKEY

A COMPARISON FOR ASSESSING ORGANIZATIONAL CAPACITY ABILITY AT MUNICIPALITIES IN TURKEY (ISTANBUL AND ANKARA METROPOLITAN MUNICIPALITIES EXAMPLES)

Abstract:

The municipalities have history more than 150 years within administrative structures; Metropolitan Municipalities Law has been introduced as to be applied in Ankara and Istanbul for the first time in 1984 based to regulation clause 3, article 127 Constitution "Special location units can be organized for big location centers". 1984 year, number 3030 "Metropolitan Municipalities Law" has been implemented until 2004 and then it has been changed with 2004 year number 5216. After eight years application, number 6360 new "Metropolitan Municipalities Law" has been accepted in 2012 so number 5216 code has been repealed therefore existence of totally 30 Metropolitan municipalities in our country borders have been officially accepted. Population density and surface area, efficient public service, democratic attendance level, providing developed optimal enormity in mean of high and culture in municipalities are being aimed in new law.

Strategic plan is a guide showing future plans of an organization and how to apply those plans; priorities, processes, policies and strategies that organization will need upon developed vision are decided. Preparing strategic plan of metropolitan municipality is included in duties of metropolitan municipality subject to Metropolitan Municipalities Law. Also, issuing Activity Reports by municipalities at the end of every year is obligatory in the frame of strategic plan. In this study, under chapters "Assessing of Organizational ability and Capacity" included in Activity Reports Ankara and Istanbul Metropolitan Municipalities have been assessed through application a comparison.

Keywords:

Local Governments, institutional capacity, Strategic Plan, Istanbul Metropolitan Municipality, Ankara Metropolitan Municipality

JEL Classification: G38, M12

INTRODUCTION

The services provided by local governments comprise all aspects of our lives. Anybody who lives in a city, in a village, or in a big city gets in touch with the organizations of the local government before central administration. On the other hand, the local governments execute important tasks where the democracy practices have been developing. Globalism, localization, and governance that gain popularity lately also contribute to the importance of local governments. The increasing importance of local governments throughout the world has indicated to some reforms to be made in local governments in Turkey beginning from 2000. Within the framework of reorganization in local governments, Law for Metropolitan Municipalities numbered 5216, Municipal Law numbered 5393, Law for Special Provincial Administration numbered 5302, and Law for Local Administrative Unions numbered 5355 have been accepted and have become effective. Thereafter, the number of Metropolitan Municipalities has been increased and the borders of the Metropolitan Municipalities have been enlarged by narrowing the servicing borders of central administration.

A reorganization period at public administration started beginning from 2003, respective laws amended, and these laws became effective. "Strategic Planning" was also adopted as a basic means for monitoring and evaluating application of service encounter by the public authorities, policy development, supporting the determined policies with tangible service programs and with budget. Within this concept, the municipalities having a population more than 50.000 have been imposed the obligation of preparing a strategic plan in accordance with Public Finance Management and Control Law numbered 5018, Law for Metropolitan Municipalities numbered 5216, and Municipal Law numbered 5393. Such municipalities have been granted a delay period of one year to prepare their strategic plans beginning from the date July 13, 2005 on which the Municipal Law numbered 5393 put into effect. Beginning from that date, the municipalities has begun to introduce their activity reports with respect to their strategic plans to the public.

Public financial administration defines the methods and procedures directing the financial resources that have been used by public sector and which tools and public organizations will be used with this purpose. Performance orientation is a process that makes use of evidences collected to build an opinion about how an organization makes use of its resources effectively and economically. Performance audit has a goal of putting the administrators and organizations who manage the public resources into an accountable position. The governments reconsidered the procedures forming the financial administration of countries and they had to reorganize them due to developing result/performance oriented budgeting starting from the beginning of 20th century to get more effective results(Acar & Şahin, 2008:86).

The performance identification that constitutes the first step of financial administration in local governments requires the strategic planning. Strategy is a template defining the objectives of an organization, outlining what and why this organization provides services, its policies, programs, operations, and decisions. Strategic planning is a well-disciplined act forming the nature and various aspects of that organization within legal boundaries to produce a basis for basic decisions and operations. In other words, strategic planning defines the road between the position of that organization (situation analysis) and the position deserved to reach (strategic goals and targets)

1. LEGAL REGULATIONS MADE IN TURKEY ABOUT METROPOLITAN MUNICIPALITIES FROM PAST TO PRESENT

1.1. Municipality Law numbered 5393

It would be beneficial to examine the legal aspects of “Activity Reports” prepared by Municipalities since this procedure is defined in some laws, regulations, and directives and the boundaries of this procedure is outlined on legal basis.

The following subjects are defined in 3rd section in relation with “Mayor” of the 2nd part having provision relating with “the Municipal Bodies” in Municipal Law numbered 5393 that entered in force on 13.07.2005:

“Article 38 – The duties and the authorities of a Mayor are: b) Administering the Municipal in accordance with the strategic plan, designing the organizational strategies of a Municipal’s Administration, preparing the budget in conformity with these strategies, preparing, applying, and monitoring the performance criteria of Municipal activities and the personnel, preparing and filing the reports relating with those operations to the Municipal Council.”

The definitions with reference to the preparation of strategic plan and performance are given in article 41 of the same section in Law numbered 5393.

“Article 41 – The Mayor prepares the strategic plan in relation with the progress plan and program and regional plan (if any) and also prepares the performance plan before new year and files to the Municipal Council. The strategic plan is prepared by getting the opinions of universities, trade associations, and non-governmental organizations if any, and enters into effect after getting the approval of Municipal Council. It is not necessary to prepare a strategic plan in Municipals where the population is less than 50.000. The strategic plan and the performance program constitute basis for preparation of the budget and they are debated in Municipal Council before approval of the budget.

There is also some information about the activity report under the heading of “Auditing of Municipals” in article 56, Section 4 of Municipal Law numbered 5393.

“Article 56 – The Mayor prepares the activity report in accordance with the item four - article 41 of Public Finance Management and Control Law numbered 5018 explaining the activities executed with respect to the strategic plan and the performance program, targets and realization of the defined performance criteria, the grounds for the deviations from program, and the situation of the debts of Municipal. Information about the sub organizations, the sub-institutions, and the affiliates also provided in this activity report and their performances are evaluated. The activity report is filed by the Mayor to the Municipal Council during April Meetings. A copy of the report is also submitted to the Ministry of Interior and announced to the public.”

2. PREPARATION OF STRATEGIC PLAN AND ACTIVITY REPORTS IN METROPOLITAN MUNICIPALITIES

2.1. Activity Reports Prepared by Municipals in Turkey

Activity report means preparing detailed reports of the activities by focusing on the printouts of operations executed in previous periods by the organization. The activity report is generally prepared by explaining the results of previous year’s operations and also the developments that may result in following years activities.

The written information and the figures provided in activity reports has equiponderant importance. It is estimated that the administrators use this data provided in activity reports to define their risks in the following years.

The preparation of activity reports, submission of them to the respective authorities, announcement to the public by the local governments and the periods relating with these procedures are defined in article 41 of Public Finance Management and Control Law numbered 5018.

“The Regulation about the Activity Reports that will be prepared by the Public Authorities” entered into effect on 01.01.2006 and emphasizes on 6 principles during preparation of these reports:

1. Responsibility Principle: Activity Reports shall be prepared in accordance with the financial transparency and accountability criteria.
2. Accuracy and Objectivity Principle: The data provided in an activity report shall be accurate, reliable, without prejudice, and objective.
3. Transparency Principle: Clear, understandable, and plain language shall be used in an activity report to ensure providing enough information to the related parties and to the public.
4. Completeness Principle: The information provided in an activity report shall be complete without having any absent data, and explain the activity results from all aspects.
5. Consistency Principle: The same methods shall be used in examining and explaining the results of activities and in case any method differs, this situation shall be explained clearly in the report.
6. Principle of Annularity: The activity reports shall be prepared as to explain the results of operations executed during a fiscal year.

Activity Reports are the source of core knowledge for the organizations, individuals, and institutions. They are for the managers or sub managers of the organization in essence, but they are submitted to any other third party as a requirement of accountability. They have all kinds of the detailed information about the organizations' activities to inform the public. The results of activities of the organization are given in these reports and they are summarized in graphical forms or supported with some figures.

3. COMPARING OF ISTANBUL AND ANKARA METROPOLITAN MUNICIPALITIES

The strong and weak aspects of the organization, what the opportunities and threats are, were tried to be determined at section 5 under title of “Assessment of Organizational Ability and Capacity” in year 2013 Activity Report of Ankara Metropolitan Municipality through making a SWOT¹ analysis. This assessment was considered primarily as strong aspects within 6 sub-titles:

1. Strong aspects regarding to organizational policies

¹ A SWOT analysis (alternatively SWOT matrix) is a structured planning method used to evaluate the strengths, weaknesses, opportunities and threats involved in a project or in a business venture. A SWOT analysis can be carried out for a product, place, industry or person. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective. (http://en.wikipedia.org/wiki/SWOT_analysis)

2. Strong aspects regarding to providing municipality services
3. Strong aspects regarding to Social Responsibility
4. Strong aspects regarding to using technology
5. Strong aspects regarding to taking economical precautions
6. Strong aspects regarding to international relations.

There are 18 items under title of “Strong aspects regarding to Organizational policies” that is the first one of strong aspects which we examine under different sub-titles. Many strong aspects have been determined in those articles such as, mayor has been continuing his duty since 25 years, management staff has been continuing their duty in stability way; internal audit and control is being given importance by senior level management staff who has professional sufficiency.

When we examine strong aspects regarding to providing municipality services, 99 strong aspects beginning with owning a modern municipality building have been determined. Among those articles, it has been seen that the performed services were shown under general titles other than strong aspects of municipalities’ providing way of services. Completing the service very fast comes to forefront that the sense of the citizen regarding to provide services of the municipality. For example the municipality has the biggest water-music –laser show in Turkey has been assessed as a strong aspect regarding to provide service (article-58). Beside this, to be a municipality presenting circus show and to be a municipality that completes supply line fastest have been included in Activity report as strong aspects.

When we consider the strong aspects regarding to social responsibility; provided services as local administrations to different age groups citizens from children to old people also service centers that were provided utility of those citizens can be considered as strong aspects. Beside this, it is not known entirely that how the management is strong at “public accord (social agreement)” and “social policy” areas which are abstract terms and which are not known entirely whether they were measured or not.

Regarding to the technology, using city data system, and getting utility of the technology in highest level, opened courses about information process technologies in the frame of municipalities are considered as strong aspects.

Regarding to economical processes, it has been emphasized that balance of income and expenditures was paid attention and activity-budget relation was taken care of. It has been shown among strong aspects that it was acted coherent to strategic planning that composes legal basis of this activity report.

When we considered weak aspects; the activities that cannot be measured among strong aspects and of which result is not taken are included in strong aspects of the municipality are brought forefront; weak aspects are tried to be determined on abstract concepts like political tendency and contrary attitudes of various opponent civil society, some personnel and media against to municipality. Again among the weak aspects, it has been stated that “the personnel have not sufficient effort” and this case causes problems while learning and applying new municipality laws.

When we consider opportunities and threats, threats such; local administrations gain importance more that central administration, mayor have long term mayoralty experience, law that will be legislated in new local administrations have been given placed. The weak aspects were considered as threat.

The organization was analyzed on SWOT analysis at section under title of “Assessment of Organizational Ability and Capacity” in year 2013 Activity Report of Istanbul Metropolitan Municipality. In this assessment, primarily the organization was assessed on 50 items regarding to strong aspects without dividing into any sub-title.

While determining the strong aspects, primarily physical assets of the organization have been determined. Among those physical assets real estate portfolio was shown. Beside this, having strong geographical information system, strong informatics network, important logistic center are assessed among strong aspects.

Istanbul Metropolitan Municipality assessed under title of “aspects that should be developed” as different from Ankara Metropolitan Municipalities. Herewith, element missing that will do especially internal audit was emphasized. Weak aspects like not to establish a system that is not giving place views and suggestions of staff, not to perform activities to increase motivation of human resources have been revealed.

Under title of suggestion and measurements, Ankara Metropolitan Municipality was suggested not to emphasize political elements but emphasize on physical assets, human resources and legislation over objective criteria.

Other than those suggestions, strong and weak aspects of different departments of the municipalities were taken into assessment one by one and measurements that should be taken by those units were placed. In this aspect, more detailed assessment was occurred.

CONCLUSION

When we assess concern departments about organizational ability and capacities of both municipalities, it is seen that Istanbul Metropolitan Municipality’s performed assessments are more detailed, objective and municipality has an analysis to measure organizational capacity. Beside this, assessment of Ankara Metropolitan Municipality forwards on political and abstract terms.

When non-objective assessments are performed, there will be no importance for activity reports of local administrations. Therefore, mentioned activity reports should be examined by higher education organizations or independent audit organizations so right, objective and practical study should be composed. Thus, organizational capacities of local administrations will be increased at the end of healthy studies, municipalities of which organizational capacities will be increased will be indispensable organizations for local democracy.

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