



Lydney Town Council

Strategic Action Plan

- Increasing Entrepreneurial Capacity



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Strategic Entrepreneurship

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Planning for Strategic Change

'No longer can a business remain static, instead it must continually adjust, adapt and redefine itself if it is to survive'.
Kuratko et al, (2011).



Image taken from Clip Art [Accessed 03/04/2015]

'A lack of entrepreneurial actions in today's global economy is a recipe for failure'.
Kuratko (2007:p189).

Entrepreneurial Capacity

The 4 Key Elements

- A clear ***Vision***
- A defined ***Mission*** Statement
- Shared 'corporate' ***Values***
- ***Strategy*** - Strategic Action Planning

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[Accessed 03/04/2015]



'The entrepreneurial organisation needs to have goals and a vision but it also needs to learn from the changing reality as it moves towards its goals, changing the plans as appropriate'.

Burns (2008:p175).



Lydney Town Council's Vision & Mission Statement

'Our 'Vision' is to improve Lydney's social and economic climate and well-being; to attract those who want to live, work, visit and invest in our town and community spirit; to enhance an area we are proud to call our home'.

Lydney Town Council is dedicated to meeting the needs and aspirations of the whole community.

Our Corporate Objectives (Mission Statement) are;

- ***To provide a strong and independent voice for Lydney.***
- ***To preserve and enhance the traditions, character and identity of our Market Town.***
- ***To promote Lydney as a clean, safe, welcoming and socially inclusive town for all.***
- ***To provide high standard and cost effective services.***
- ***To work in partnership with others to achieve more for Lydney and its surrounding areas.***



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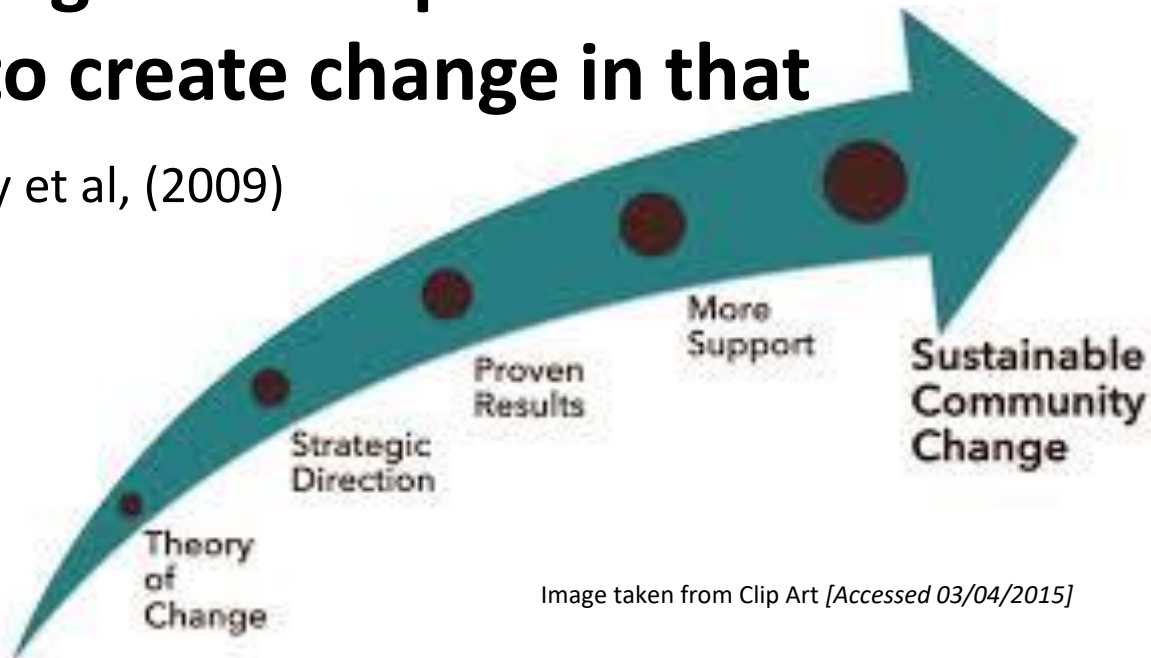
Understanding our current position.

'Before we can establish a strategy for entrepreneurship or look to re-design the internal environment it is essential that we have an accurate understanding of the council's current level of entrepreneurial intensity'.

Kuratko et al (2011, p377).

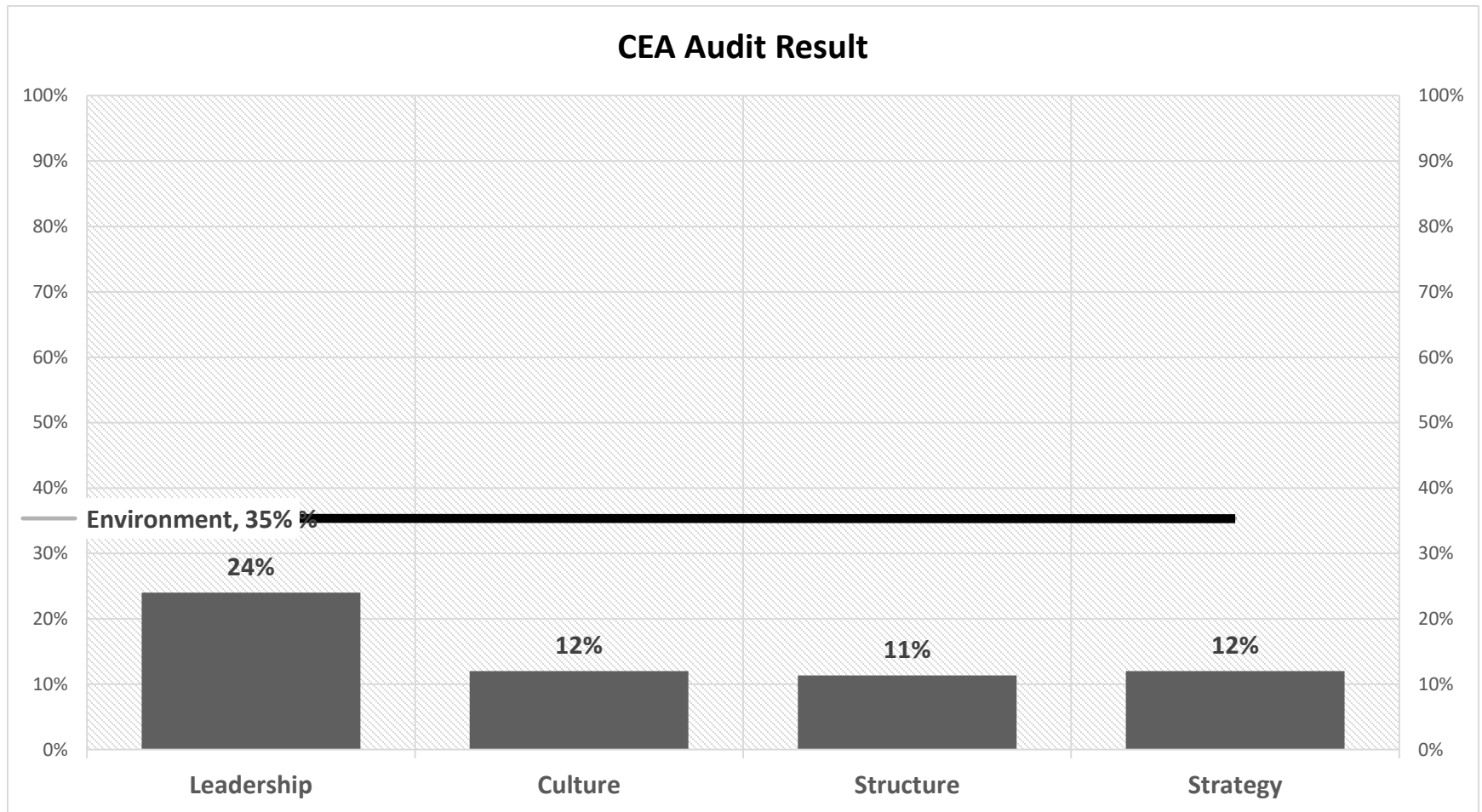
Multiple ways the Council can plan for strategic change;

- **By being adaptable, flexible, fast, aggressive and innovative businesses are better positioned not only to adjust to a dynamic, threatening and complex external environment, but to create change in that environment.** Heavey et al, (2009)



Corporate Entrepreneurship Audit Tool (CEA)

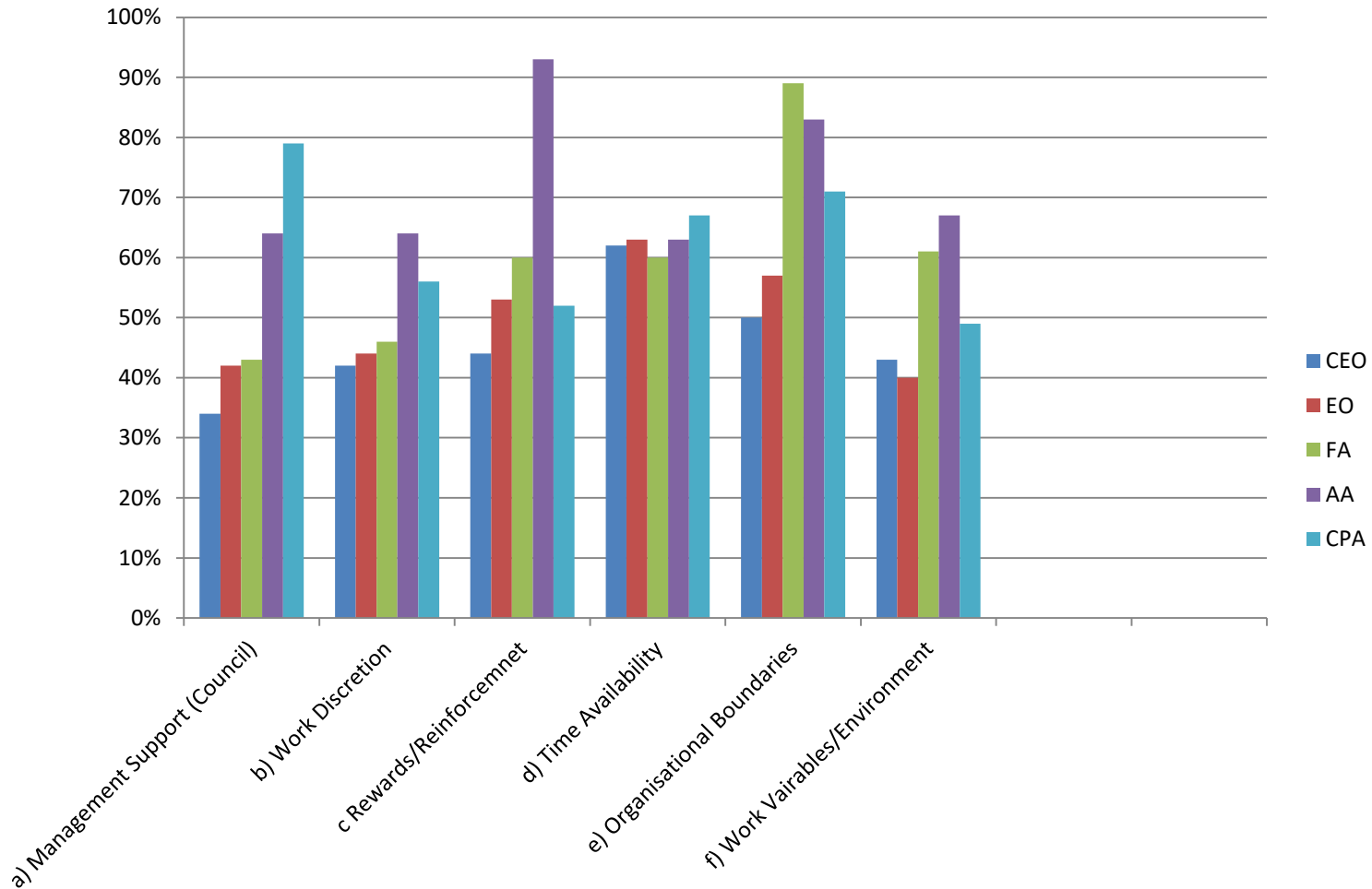
Diagram 1 show the results taken from the CEA Tool *(completed from a Councillor's perspective; focusing on the 'corporate body' as the leadership/managerial body)*



CEA Audit Tool (Burns 2013)

Corporate Entrepreneurship Climate Instrument - CECI Audit tool

Diagram 2 - The CECI audit tool collates the responses to a number of questions based around the Council's internal structure; *Management Support, Work Discretion, Rewards/Reinforcement, Time Availability, Organisational Boundaries* and *Specific Variables*, the chart below visualises the differences in opinion.



(CECI Audit Tool devised by Kuratko, Montagno & Hornsby- 1990).

Entrepreneurial Audit & Capabilities - Key Findings

Entrepreneurial Audit

[Councillor perspective –

‘Corporate body’/Council perceived as being the management/leadership body]

Leadership	24%
Culture	12%
Structure	11%
Strategy	12%

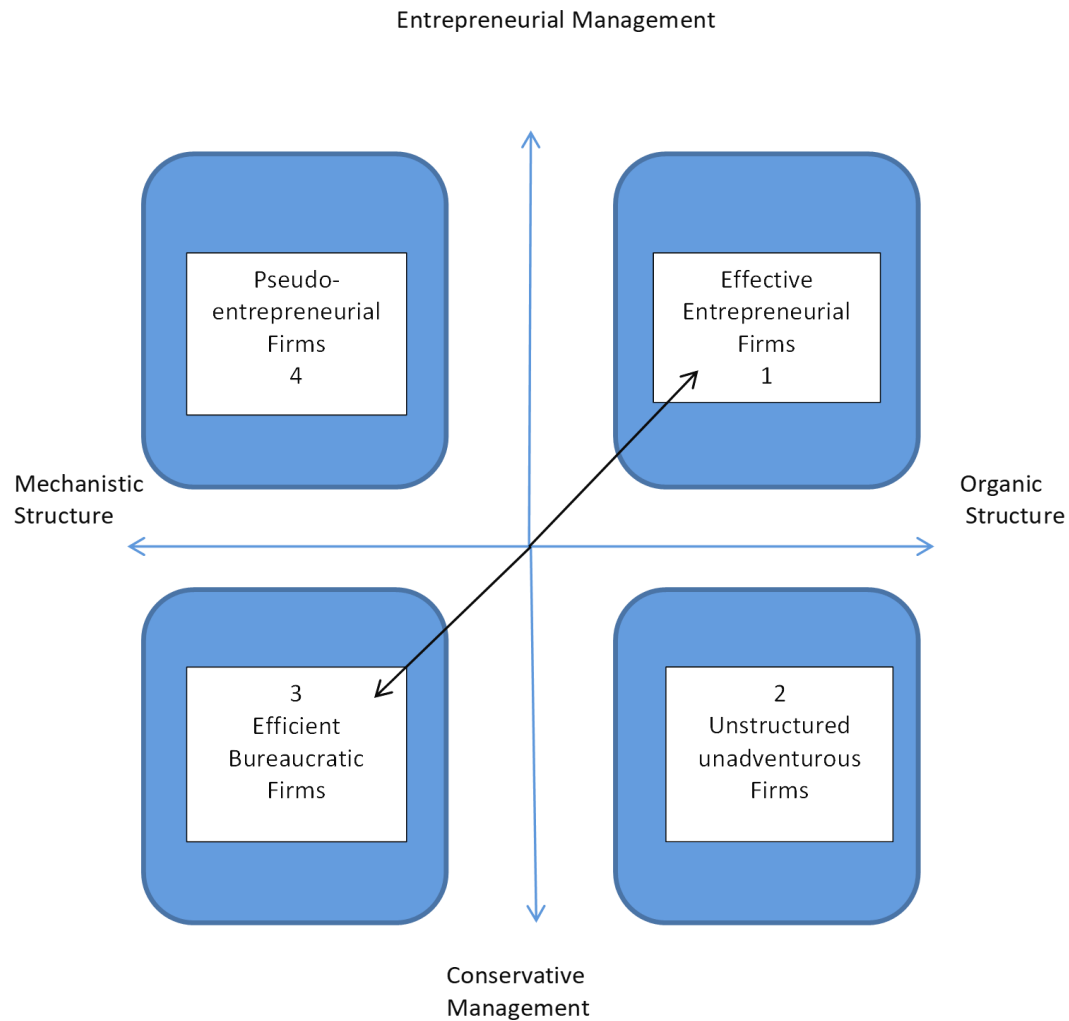
Entrepreneurial Capabilities

[Employee perspective -

The very nature of the questions posed resulted in a conflict, requiring employees to differentiate between employer/managerial leadership]

Management Support	32 - 78%
Work Discretion	41 - 63%
Rewards/Reinforcement	44 - 92%
Time Availability	61 - 67%
Organisational Boundaries	50 - 89%
Environment/ Specific Climate Variables	40 – 66%

Organic & Mechanistic Structures



Source: Slevin & Covin, 1990

Adapted from Slevin & Covin, 1990. (Kuratko, Morris, and Covin, 2011:p200).

Our Priorities

‘So, if we are to increase our entrepreneurial capacity what should are priorities be?’



Image taken from Clip Art [Accessed 03/04/2015]

'The question for corporations is not whether they should or should not engage in entrepreneurial activity, but rather what can be done to encourage the establishment of entrepreneurship'.

Schuler (1986:p624).



A plethora of organisational constraints exist that will constrain entrepreneurial activity.

<i>Systems</i>	<i>Structures</i>	<i>Strategic Direction</i>	<i>Policies and Procedures</i>	<i>People</i>	<i>Culture</i>
<ul style="list-style-type: none"> • Misdirected reward and evaluation systems • Oppressive control systems • Inflexible budgeting systems • Arbitrary cost allocation systems • Overly rigid, formal planning systems 	<ul style="list-style-type: none"> • Too many hierarchical levels • Overly narrow span of control • Responsibility without authority • Top-down management • Restricted communication channels • Lack of accountability for innovation and change 	<ul style="list-style-type: none"> • Absence of innovation goals • No formal strategy for entrepreneurship • No vision from the top • Lack of commitment from senior executives • No entrepreneurial role models at the top 	<ul style="list-style-type: none"> • Long, complex approval cycles • Extensive red-tape and documentation requirements • Over-reliance on established rules of thumb • Unrealistic performance criteria 	<ul style="list-style-type: none"> • Fear of failure • Resistance to change • Parochial bias • "Turf" protection • Complacency • Short-term orientation • Inappropriate skills and talents for managing entrepreneurial change 	<ul style="list-style-type: none"> • Ill-defined values • Lack of consensus over value and norm priorities • Lack of fit of values with current competitive context • Values that conflict with innovative-ness, risk-taking, and proactiveness

Have you witnessed such constraints?

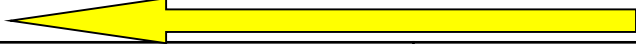
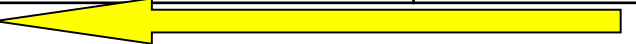
Meeting the Entrepreneurial Challenge

- **Vision** - *The Dream*
- **Resources** - What will it cost?
- **Culture** - How can we seek to embrace risk and yet continue to 'protect' public money?
- **Transformation** – Are we prepared to endure a period of often painful transformation to become more entrepreneurial? Zahra et al, (1999).
- **Success** – How will we measure our success?



Entrepreneurial Strategic Action Plan

Recommendations

Direction of Movement		
Characteristic	Organic Structure	Mechanistic Structure
Channels of communication	Open, free-flow, throughout the Council - Share the vision	Highly structured and restricted
Operating styles	Embrace the variety offered through Council Membership & accept different is not wrong!	Uniformed and restricted
Authority for decisions	Based upon expertise of individual Manage project momentum - Trust in the experience & professionalism of Council Officers	Based on formal line-management position / Delegated Powers (<i>as appropriate</i>).
Ability to adapt / Assess the Council's organisational Culture	Free to adapt to changing environment & circumstances	Reluctance to change from tried and tested principles
Emphasis	On getting things done, not constrained by policy /procedures	Reliant on procedures and tried and tested principles
Control	Loose and informal with emphasis on co-operation/deliberation.	Tight control through sophisticated systems
On the job behaviour	Shaped by the situation /personality of the individual	Constrained to conform to job descriptions / Council resolution
Decision making - Review Process/Procedure	Participation and consensus frequently used - Be less risk adverse, experiment and deliver early wins. Balance of probabilities.	Minimum public involvement/consultation Risk adverse
Characteristic	Entrepreneurial Management style	Bureaucratic Management style
Direction of Movement		

Adapted Covin and Slevin, 1990 (Burns, 2008:p188).

Resource Requirements

- Support from Members (*Councillors*)
- Human Resources; Member/Officer Training (*CPD*)
- Support from relevant Stakeholders, Outside Bodies and other Government Organisations
- Support/Assistance & 'Buy-In' by the Electorate & Voluntary Groups
- Support/Assistance & an active working partnership with Lydney's Business Sector (*Chamber of Commerce*)
- Financial prowess (*astute financial/budget management*).

Lydney: An Historic Town with its eye on the Future

Image taken from Lydney Town Council Website (2015).
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Recommendations For Sustained Entrepreneurial Activity

- Share the ‘Entrepreneurial Vision’ & instil a sense of passion and pride
- Recognise and reward creativity and innovative traits/value council employees
- Adopt a tolerant approach to failure; *it is all part of learning*
- View collaboration & team work as a necessity for continued success
- Embrace change as the ‘norm’

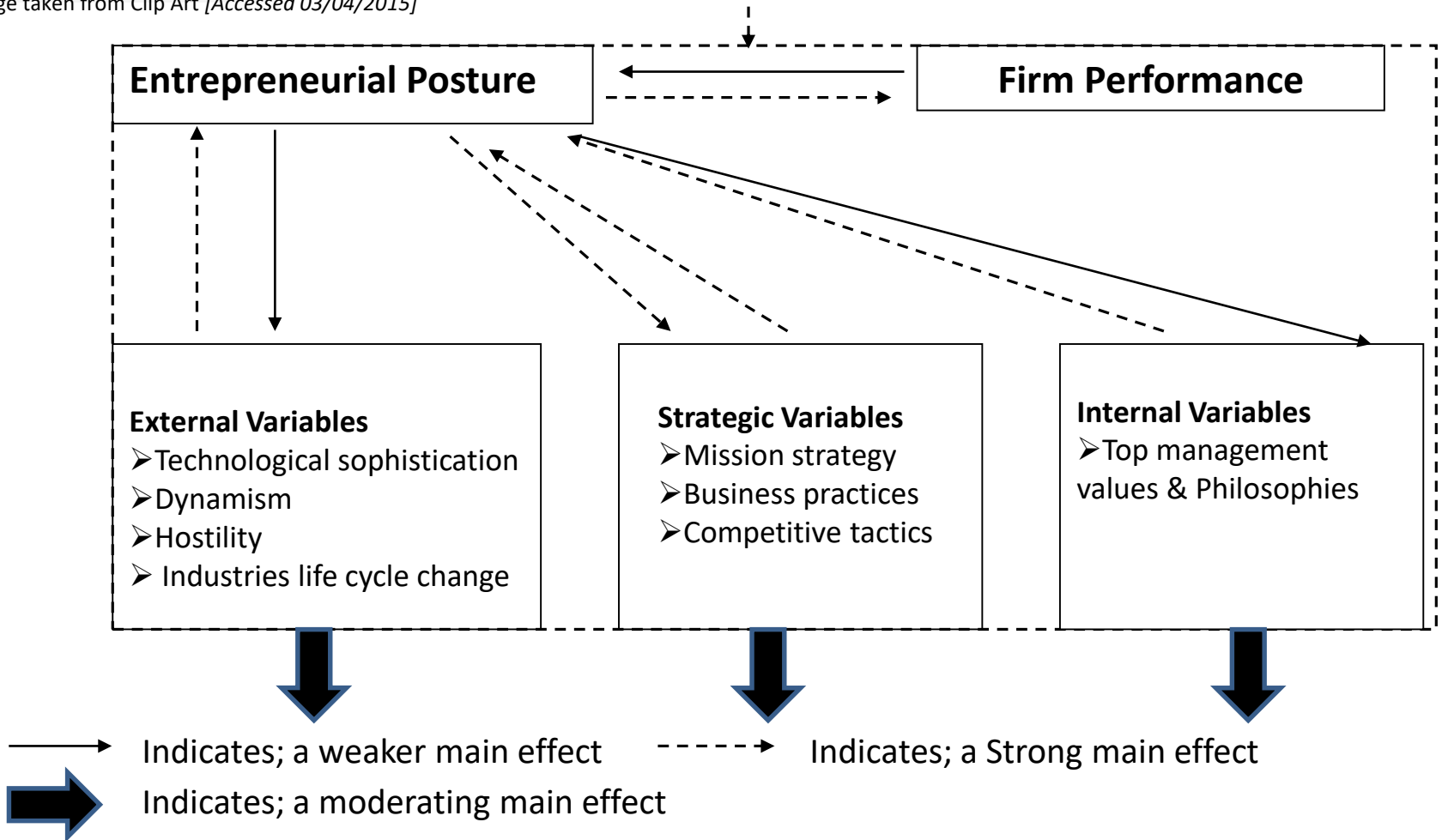
‘Sustainability implies some level of consistency in the levels of innovativeness, risk-taking, and pro-activeness that a company is able to achieve over a number of years’.

(Kuratko, Morris, & Covin, 2011:p403).



Lydney Town Council's key to increasing entrepreneurial capacity

Image taken from Clip Art [Accessed 03/04/2015]



Covin and Slevin 'A Conceptual Model of Entrepreneurship as Firm Behaviour'. (1991:p7-25)

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