



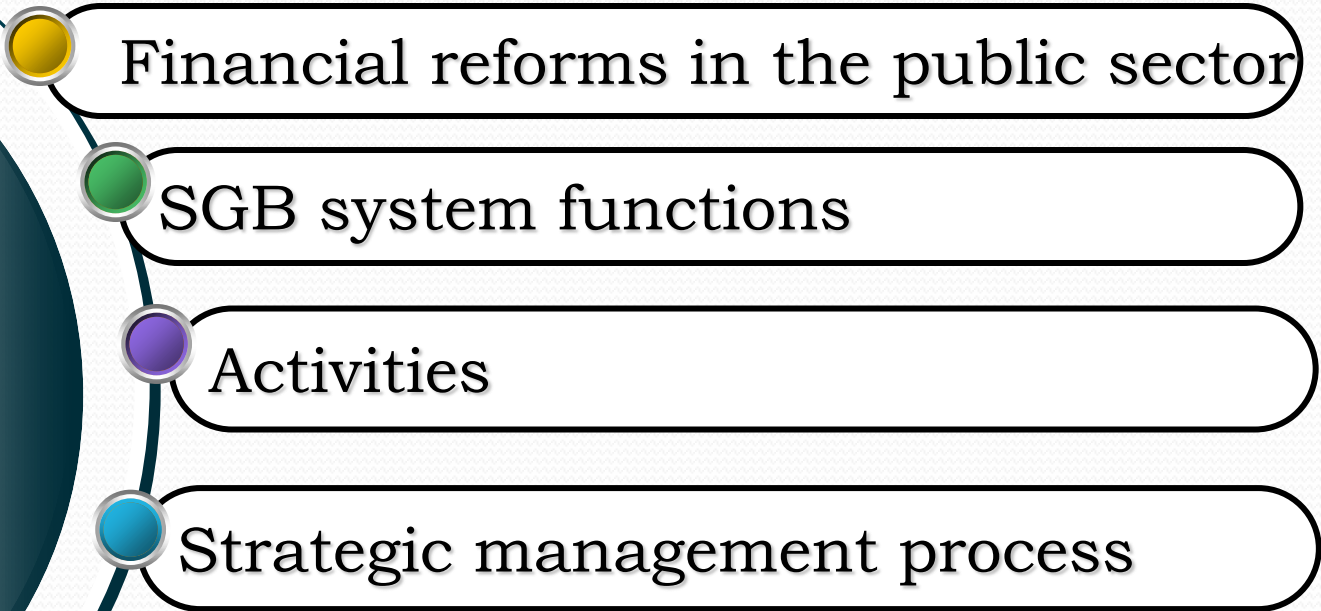
The Republic of Turkey
The Ministry of Finance
Strategy development department

Strategic planning in the public sector

Atilla Cakir, Finance Expert



Content



Financial reforms in the public sector

SGB system functions

Activities

Strategic management process

Global vision

- **Changing global frameworks: increasing pressure on governments**
- **Need for better performing government agencies**
- **Expectations from public management system – results-focused administration, more value for society**

Budget reforms

- **Key goals of budget reforms:**
 - Adapt to financial discipline
 - Allocation and use of resources to meet strategic priorities
 - Enhance efficiency and value-for-money of programs and services

How?

- By controlling government resources /funds/;
- By planning allocation of resources;
- By managing resources;
- By rethinking business processes of government agencies;
- By ensuring interactions and exchange of information between institutions;
- By creating information systems for the administration in order to support decision-making process with concrete data

Financial management reforms in the public sector

- ❖ Budget type described and defined anew
- ❖ Multi-year budgeting
- ❖ New budget classification practices
- ❖ Budget coverage extended
- ❖ Important flexibilities for government agencies in developing and executing their budgets
- ❖ Strategic, results-oriented planning and budgeting have become the foundation of the new system
- ❖ Government agencies have started to put into effect a structure to develop strategies
- ❖ Internal control system put into place by creating conditions for specialization

Financial management reforms in the public sector

- ❖ Mandatory use of one accounting system across the public sector
- ❖ Internal Coordination Council and Public Accounting Standards Council
- ❖ The budget law resumes the use of government income tables (tax expenditure), which were earlier dropped due to tax breaks and holidays etc.
- ❖ Work started to developed secondary and tertiary laws on the basis of which public sector financial management and control system will be developed and managed

Strategic planning in Turkey's legislation

- Strategic planning reference for public institutions: 2003 r.
- Law on public sector financial management and control : December of 2003
- Decision by the Supreme Planning Council: 2003, 2004
- Pilot projects at institutions : 2004-2005
- Laws “On the local authorities”: 2004-2005

Strategic planning in Turkey's legislation

- Research into the strategic direction of the public sector : 2005
- Instruction on the methods and principles of strategic planning at public institutions
- Strategic planning reference for public institutions (version 2): 2006
- Instructions on strategic planning methods and principles: 2006

SGB functions

- Strategic management and planning
 - Defining mission and vision
 - Defining corporate and individual goals
 - Setting indicators
 - Budgeting
 - Data analysis – scientific research
- Developing results and quality criteria
- Information management system
- Financial services
 - Budget and results program
 - Accounting, final accounting and reporting
 - Internal control

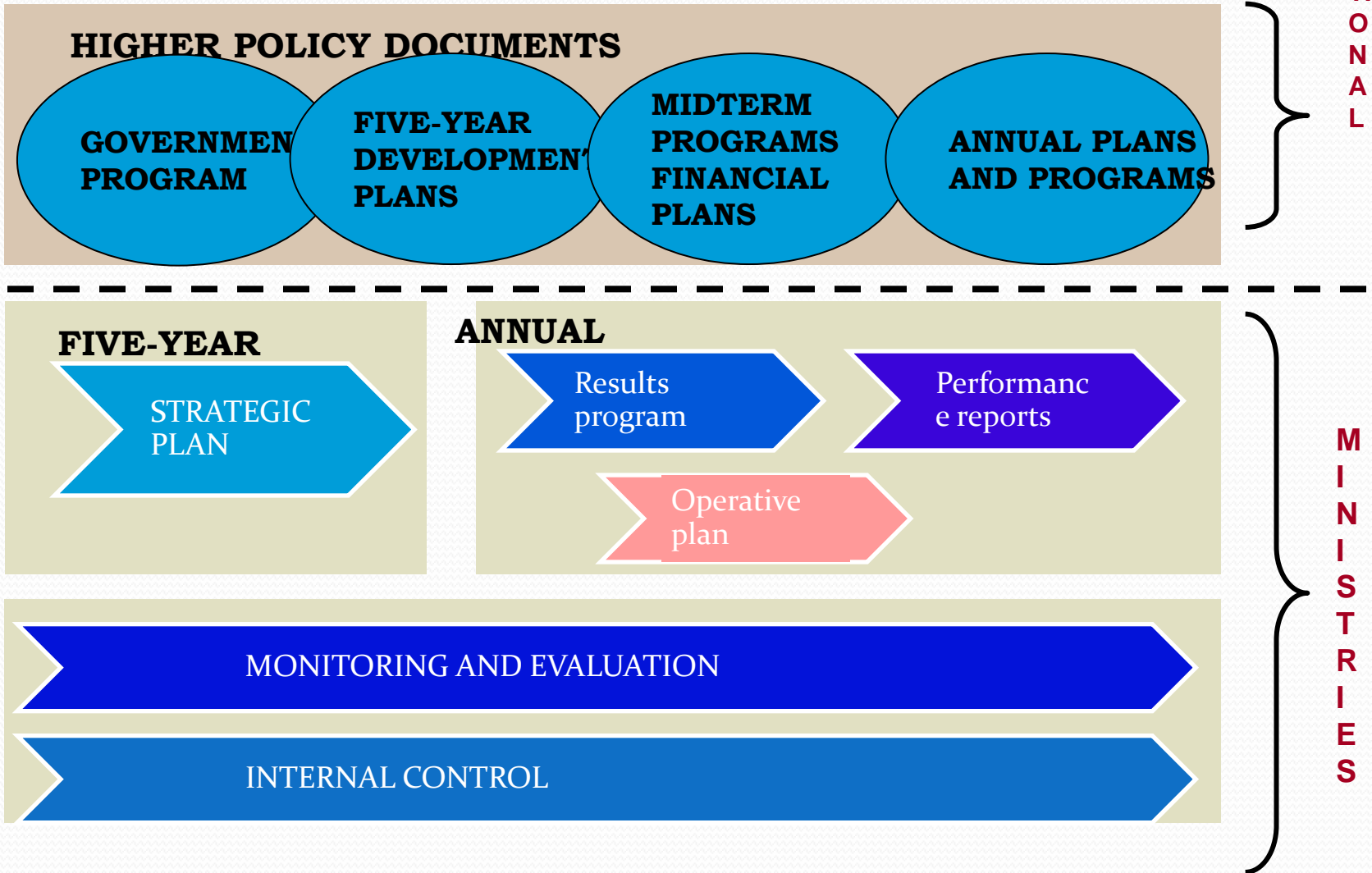
Strategic management and planning function

- ❖ **Article 6** — Goals of strategic management and planning functions:
 - ❖ a) Create a training program in strategic planning for institutions and provide or ensure the provision of training and consultations in strategic planning of management and coordinate the work related to strategic planning
 - ❖ b) Provide additional services on strategic planning as required
 - ❖ c) Compile activity reports of the directorate
 - ❖ d) Carry out work to define the mission of the directorate

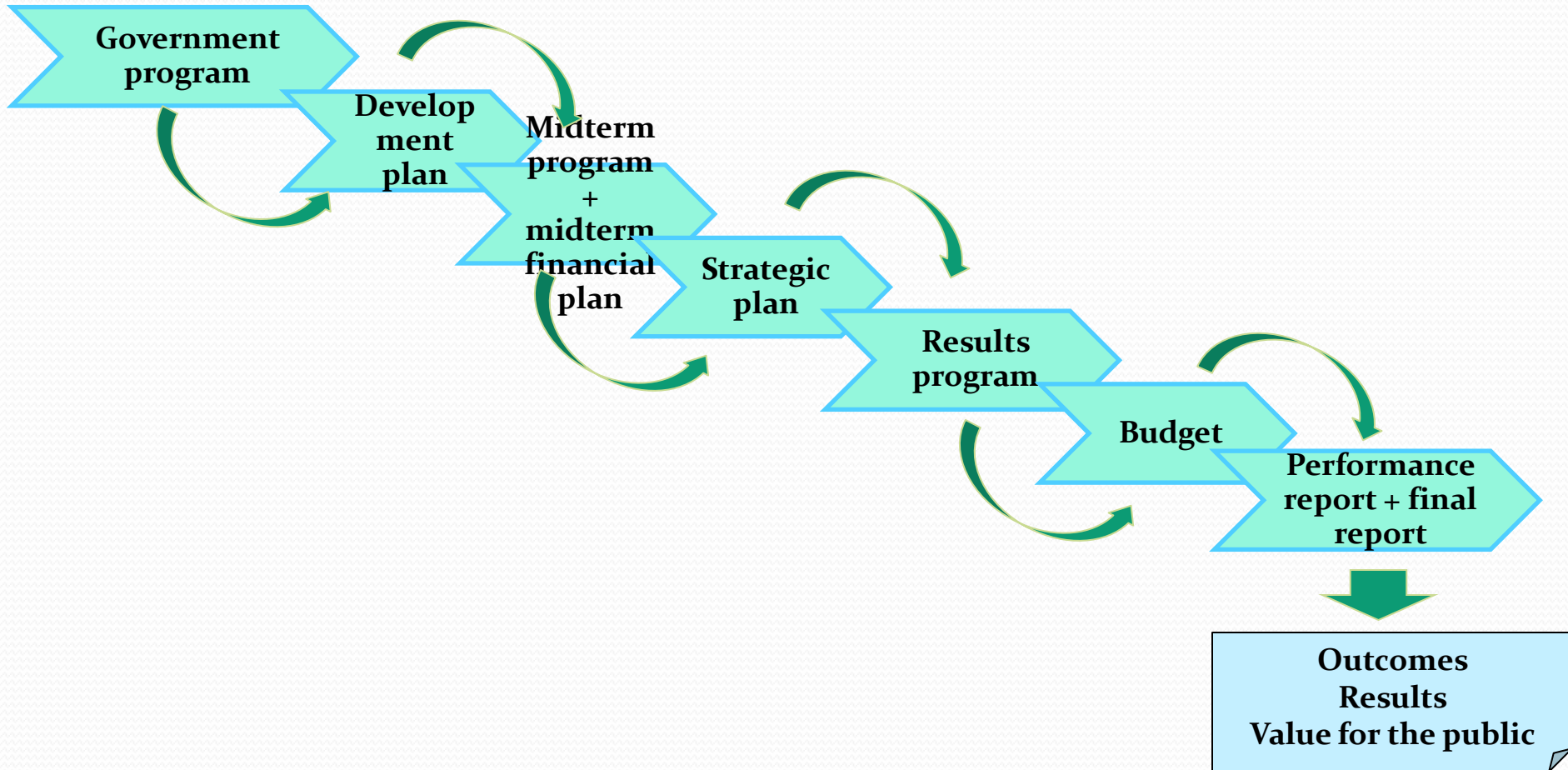
Strategic management and planning function

- ❖ e) study external factors which could influence the services provided by the directorate
- ❖ f) identify new opportunities to provide services and take measures to prevent threats to efficiency and productivity
- ❖ h) Conduct a survey of productivity and capacity inside the institution, analyze the efficiency of services and the level of satisfaction of users; conduct general surveys
- ❖ i) Identify strong and weak sides of the directorate
- ❖ j) conduct scientific research about the scope of functions of the directorate
- ❖ k) collect, classify analyze information and data about the activity of the directorate

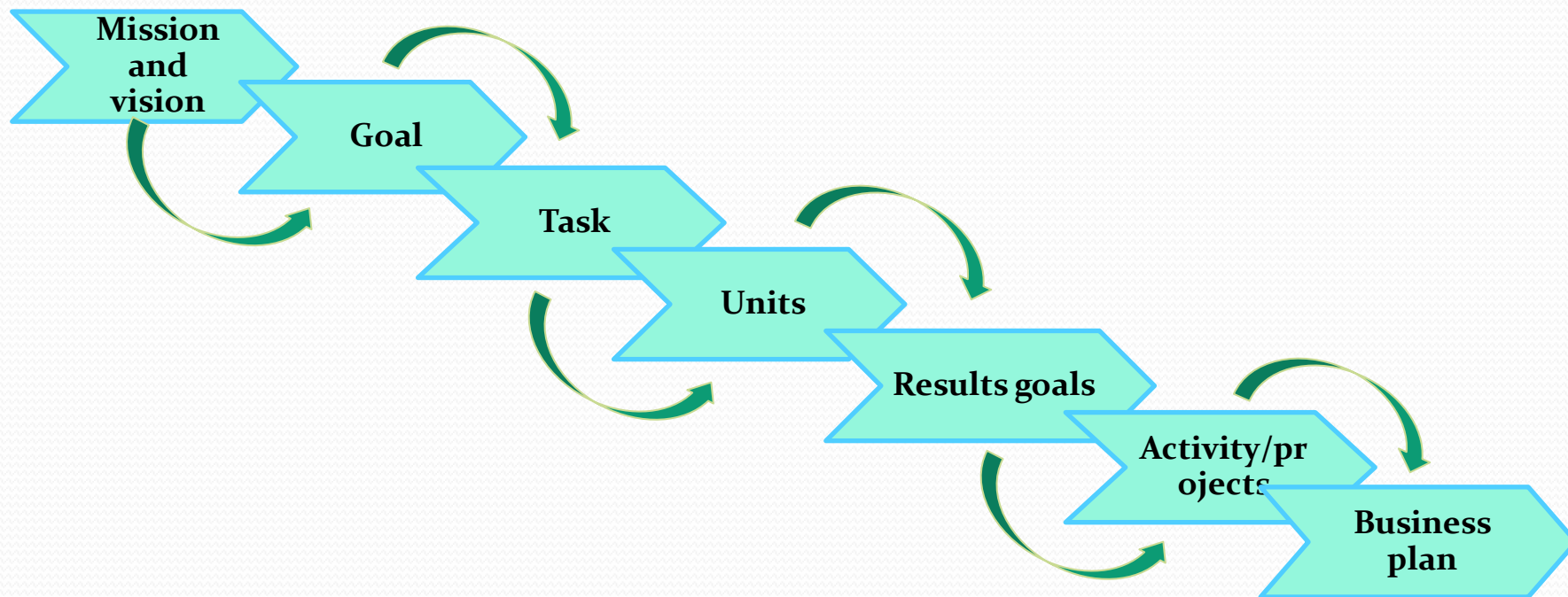
Road map of strategic management



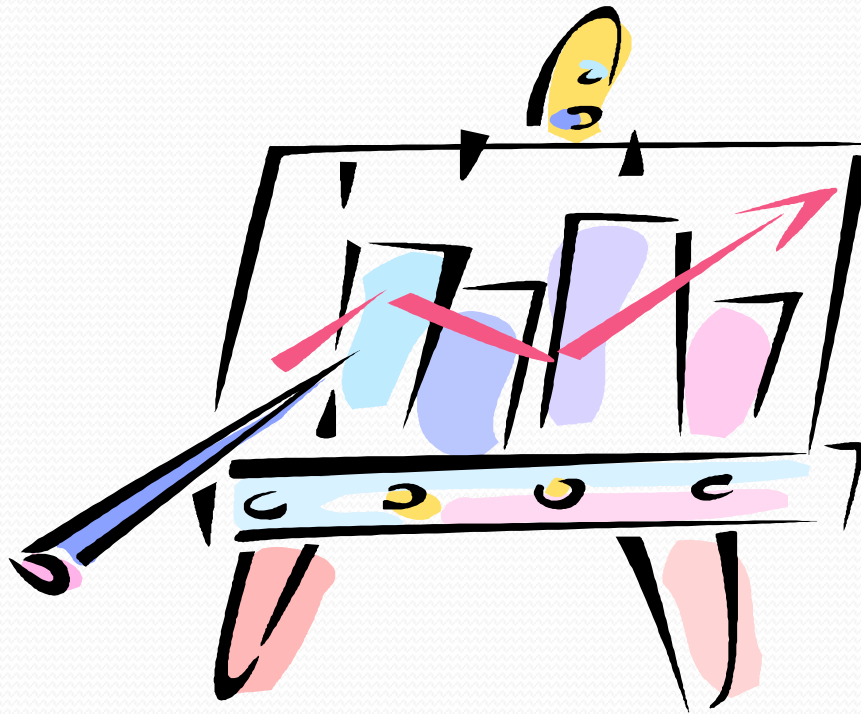
ENHANCING RELATIONS



Strategy tree (Cascading)



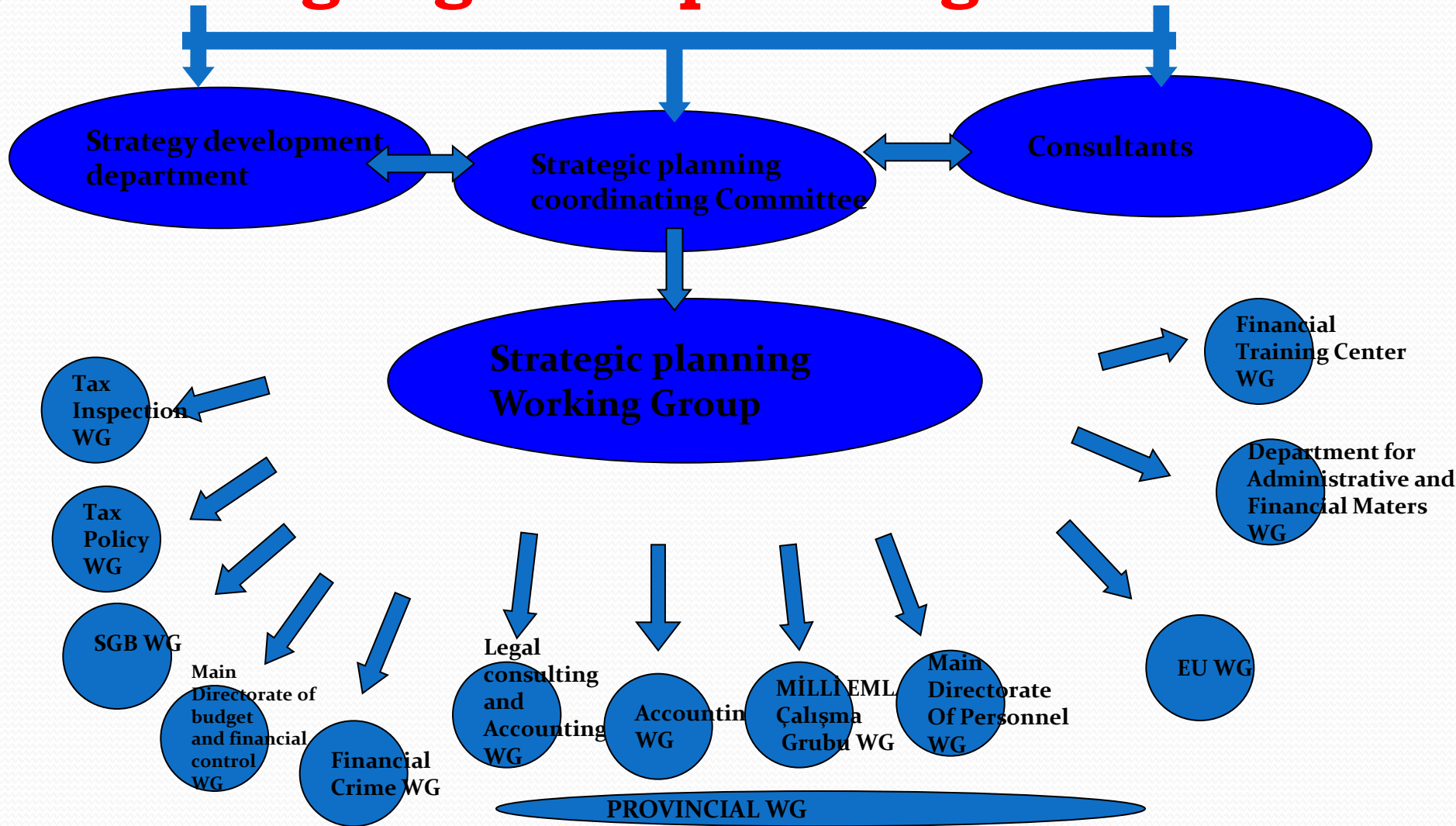
Work



Developing training programs

- ❖ Article 8 of Guidelines on methods and principles of strategic planning in government agencies says that the training program should incorporate all stages of strategic planning process, schedule of activities and terms of completion, types of activities, designated units and persons, training needs, if need be consultancy needs, costs of the planning process, human and technical resources needs.

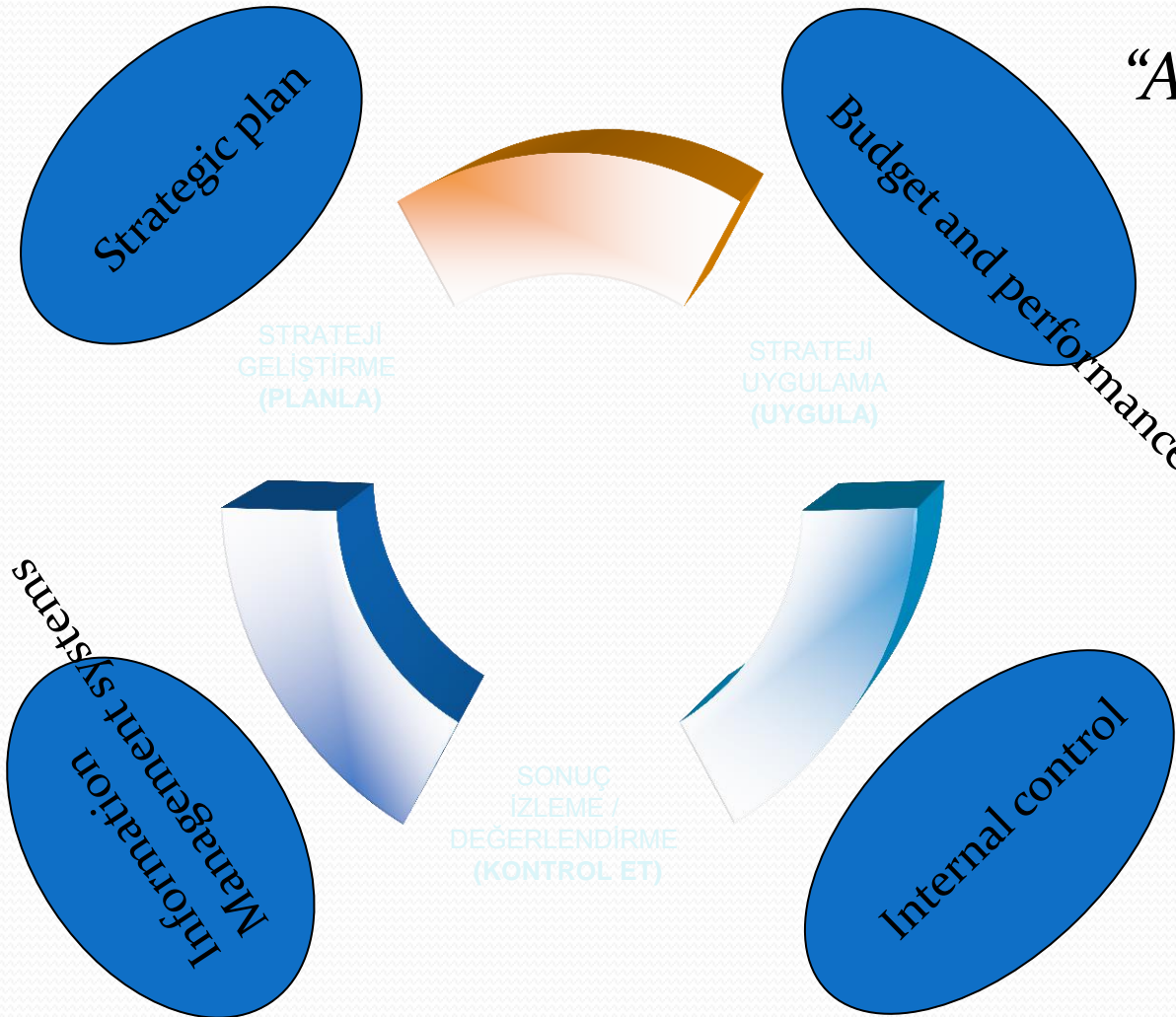
Putting together planning teams



Teams' responsibilities

Strategy Development Council under MoF	Strategic Planning Coordination Committee	Strategic Planning Working Group
Coordinate activities and provide support in elaborating strategies, goals and policies of services and organizing the work of the ministry	Coordinate the work of the units in strategic planning and provide information on the work done to the Strategy Development Council	Be involved in the strategic planning process, which is coordinated by the Strategy Development Directorate and the project team, as well as ensure coordination of the work of the spending unit and the working group

Strategic management process



“A DECISION WHICH WILL NOT BE IMPLEMENTED IN PRACTICE WILL BE A GOODWILL INITIATIVE N BUT NOT A REAL DECISION.”

Strategic planning process

<ul style="list-style-type: none"> • Plans and programs • Partner analysis • SWOT analysis 	SITUATION ANALYSIS	Where are we?
<ul style="list-style-type: none"> • Reasons for the organization to exist • Key principles 	MISSION AND PRINCIPLES	What do we want to achieve?
<ul style="list-style-type: none"> • Expected future 	VISION	
<ul style="list-style-type: none"> • Mid-term goals • Specific, concrete and measurable goals 	GOALS	
<ul style="list-style-type: none"> • Methods for achieving the goals 	STRATEGIES	How can we get to our destination?
<ul style="list-style-type: none"> • Detailed work plans • Appraisal of prime cost • Results program • Budgeting 	ACTIVITIES AND PROJECTS	
<ul style="list-style-type: none"> • Compiling reports • Comparison 	MONITORING	How can we trace out successes and evaluate them?
<ul style="list-style-type: none"> • Feedback • Identifying measurements methods • Results indicators • Evaluation of practical work and results 	MEASURING AND ASSESSING RESULTS	

STRATEGIC PLAN

- Based on the strategic plan for 2008-2012, infrastructure for practical application of strategic management system has been created at our directorate
- Based on the experience of the first plan for 2013 to 2017, a new strategic plan has been elaborated



Strategic planning framework - I

Mission of the Ministry of Finance

We want to have a Ministry of Finance which develops and applies financial policy and ensures its monitoring with the participation of all stakeholders.

Vision of the Ministry of Finance

The Ministry of Finance, which for the purposes of supporting the creation of proper environment for strong and sustainable development, without abandoning fiscal discipline, in the spirit of fairness maintains optimal levels of financial loads and allocations, enhances the public value of the use of public resources, ensures transparency and accountability and serves as a pro-active and model ministry.

Strategic planning framework - II

- Sensitivity to the environment
- Focus on solutions
- Veracity and reliability
- Cost effectiveness, efficiency and focus on results
- Accountability
- Rule of law
- Participation
- Pro-active
- Transparent
- Social justice and equality
- Social responsibility
- Compatibility and predictability
- Specialization and capacity
- Focused on citizens

Strategic planning framework - III

STRATEGIC GOAL	STRATEGIC DIRECTIONS
SA1. Show leadership in setting stable financial policy through a comprehensive approach and manage resources/funds on the basis of the principles of cost effectiveness, efficiency and focus on results	SH1. Expend the taxable base in a just and predictable manner
	SH2. Create a simple tax system, sensitive to global developments, which enhances competitiveness
	SH3. Enhance the efficiency of processes for the allocation and use of funds, taking into account financial discipline and sustainable development
	SH4. Ensure effective use, monitoring and accountability of public funds
	SH5. Proactively manage public real estate based on the real needs of the economy

Strategic planning framework - IV

STRATEGIC GOAL	STRATEGIC DIRECTIONS
SA2. Extend the reach of the real economy and cut financial crime	SH6. Develop and expand real economy
	SH7. Fight money laundering received as a result of criminal activity, fight terrorism financing
SA3. Provide effective, results- and solution-focused services of legal consulting and accounting	SH8. Enhance efficiency in the provision of legal consulting and accounting services
SA4. Expand corporative capacities	SH9. Develop strategic management, human resources, organizational structure, technological infrastructure and corporate culture



Thank you ...

atilla.cakir@sgb.gov.tr