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Delivering Spatial Planning: *exchanging customers for citizens*

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Delivering Spatial Planning: *exchanging customers for citizens*

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Abstract

Local authority administration of land-use **planning** is failing to communicate appropriately with users. Opportunities for improving this provider-user relationship are examined in respect of **customer relationship management** (CRM), a private sector tool for managing customer relationships that has been transposed into the **public sector** as a mechanism for improving this provider-user interface. The language of CRM, however, in particular its reference to 'choice' and 'devotion to the individual', casts doubt on its public sector applicability where public interest is sought through monopolistic **service provision**. By exchanging 'customer' terminology for that of 'citizenship', an alternative model is posited: **citizen relationship management** (CiRM), which trades 'choice' for 'involvement' and pursues communally based interaction to generate societal benefit. Three key recommendations for implementing CiRM are subsequently proposed: 'awareness raising'; 'transparency'; and 'culture change'.

"Public management currently lacks a public. Users have to be rebuilt into a public with a communal feeling and communal outlook. There has to be a method for doing this." Corrigan & Joyce (1997, pg.431)

Introduction

Providers of public services have been distanced from their public and the sector has found itself in long-term decline (Corrigan and Joyce, 1997). Symptomatic of this is the increasingly adversarial nature of the relationship between planning officers and the public. A Central Government working paper noted that:

"*many consultees have been through years of (in their terms) bad experiences with their local authority, and planning-related issues would be amongst the most commonly quoted examples."* (ODPM, 2004b, para.3.3.2).

Adding to this, Yvette Cooper MP (Minister for Housing and Planning) at the 2005 Royal Town Planning Institute Annual Planning Convention, stated that:

"during the 1990's confidence in planning… was in serious decline [and]*… residents complained that planners were out of touch"*.

These problems have been caused, in part, by a relationship breakdown between provider and user. To improve this relationship some local authorities are 'rolling out the red carpet' by investing in a private sector tool called customer relationship management (CRM). CRM is a customer-centric model that provides a strategy for identifying, reaching, differentiating and retaining individual customers (Parvatiyar & Sheth, 2002, and Gummesson, 2004). It is based around the individual, and uses the language of 'choice'. However, as local planning authorities operate in a monopoly that provides for the public interest, the appropriateness of CRM's transposition is called into question.

This paper proposes an alternative model by exchanging CRM's customer terminology for that of 'citizenship'. The resultant model of Citizen Relationship Management (CiRM) pursues communally based communication/interaction to generate societal benefit. The intention is to better reflect the relationship between local government and their clientele.

The link between theory and practice was tested by interviewing six key personnel in one local authority. Subsequently, three recommendations identify ways in which relationships with user groups can best be managed to make Planning less confrontational and provide outcomes that serve 'the public interest'.

The Changing Terminology of Public Sector Service Users

The public sector provides services to give community access to services that they would otherwise not receive (McKevitt and Lawton edt. 1994, and Walsh, 1994). In

providing public sector services all should be treated equally (Chapman & Cowdell, 1998). However, not everyone has the same needs or wants, and consequently provision cannot be made in generality (*ibid*). Also, literature addresses public sector service 'users' variably as: customers; citizens; clients; stakeholders; and the community. This can result in confusion between the role that society requires individuals to play and the one they actually perform.

McKevitt and Lawton (1994, pg.68) consider a user as *"both customer and citizen*"; Buurma (2001, pg.1287) notes, *"the public sector… has come to recognise citizens as customers"* and that "*citizens… are the government's customers*" (*ibid.* pg.1289); Rowley (2000, pg.159) states, "*most customers are citizens*"; Day and Reynolds (1998, pg.588) consider that users can be treated differently depending whether they are "*perceived to be a citizen or a customer in the transaction*"; and Claver *et al.* (1999) refer to public service users exclusively as "*citizens*". To compound matters, Central Government documentation now refers to 'the community'[1].

The consideration of public service users as 'customers' arose following service failures during the mid twentieth century when users were seen as passive (Law *et al*. 2003), resulting in service production based on assumptions rather than demonstrable need (Palmer, 2000). The launch of the Conservative's Citizen's Charter (1991) put individuals (as customers) at the heart of service provision and created a contract between local government and their public. This signalled a shift from traditional bureaucratic administration towards flexible, private- sector style, customer focussed services (Keen & Scase, 1998). An elevated status gave the individual primacy over wider societal benefits (Chandler, 1996). When combined with the encouragement for individuals to express choice and to exercise personal responsibility, this laid the system open to abuse through personal value being put before community gain (Chapman & Cowdell, 1998).

New Labour sought to change the emphasis from parochial individualism during the 1980s and early 1990s to 'active citizenship' (Barnett, 2002). It was based on the premise that by actively engaging with people there would be a transition of power from provider to user (Martin and Boaz, 2000 in Barnett, 2002). Whilst both Conservative and Labour's intended outcome is similar the respective methodologies are contrasting. The crucial difference being that the former pursues service improvement through personal choice whilst the latter seeks 'communal ownership' by raising an individual's awareness of their duty to act collectively as members of society. This latter approach is 'channelling' actions, within a framework of rules/laws, towards communal rather than private benefit (Buurma, 2001). Being a citizen therefore has altruistic implications.

The term 'stakeholder' was brought into popular use by New Labour who, in 1995, introduced it as a concept to reinforce ownership of public services (ODPM, 2005b). In the public sector 'stakeholders' comprise *"everybody"* (Howard, 1999, pg.1). This terminology has connotations of both citizenship and consumerism: the former in respect of communal 'ownership', whilst the latter by purchasing a stake through taxation. As a result, the rights and duties attributable to the term therefore reflect both potential positions, which does little to assist public service providers in easing the confusion. And similarly for the recipients of the services, it is unclear what message this sends out in respect of their role.

The introduction of 'the community' into user terminology, as with citizenship, can be seen as seeking to draw attention to wider societal benefits through collective responsibility, partnership and co-operation. The re-naming of a Central Government Department as 'Communities and Local Government'[2] and the requirement for local authorities to prepare Community Strategies illustrate this stance. However, it is difficult to determine whether individuals that are engaged with public services (for example as objectors to a planning application) are representative of 'the community' or whether they are doing so from personal interest.

Planning Service Users

The purpose of 'Planning[3]' is to regulate, or manage, the development of land in the public interest (Potter in McKevitt and Lawton, 1994). In fulfilling this function local planning authorities operate in a not-for-profit monopoly and are responsible for arbitrating between competing aspirations, which mean that 'balance' is key to delivery. Recent change through the 2004 Planning and Compensation Act has given planners a wider remit (spatial planning) and provides for greater community involvement (ODPM, 2004a). In the past the planning profession has been guilty of not valuing or respecting its users (Bruce, 1995) with most failures relating to poor communication between parties (ODPM, 2004b). However, it is unclear who constitutes the user; from residents seeking a moratorium on development, to landowners promoting sites.

Providing services without competition, and with no opportunity for either participant to exit the transaction, creates users / providers who are 'captive' (Palmer, 2000). This can result in reluctance from both parties to engage in dialogue because of preconceptions as to the

[1] One example being Planning Policy Statement 1: Delivering Sustainable Development (ODPM, 2005).

[2] Previously called Office of the Deputy Prime Minister (ODPM).

[3] Reference to "Planning" in this paper is to the local authority administration of planning services as derived through the statutory Planning Acts.

outcome. The effective and sensitive management of relationships with users is consequently a critical aspect of service provision (Corrigan and Joyce, 1997). The notion of 'marketing' can potentially assist with delivery.

Marketing for Public Sector Planning

Marketing is "*the management process which identifies, anticipates and supplies customer requirements efficiently and profitably*" (Palmer, 2000, pg.3). The purpose of marketing is to gain as many customers as possible in order to generate competitive advantage over your rivals. Marketing services differs from products as they do not have a physical presence. Satisfaction can therefore only be discerned at point of use. This intangibility can cause uncertainty in expected quality and thus result in unrealistic user expectations (Davies *et al*. 1992). An important function of marketing is to narrow this expectation-perception gap (Gilmore & Carson, 1996). This can be achieved by producing a physical element to the service to influence user psychology at an early stage (Kotler *et al*. 1996).

Marketing has been brought into the public sector arena through policy presentation (Walsh, 1994), which is particularly applicable for Planning. Marketing for Planning purposes can be used to create or emphasise a process, or tangible procedure, against which to pre-judge 'quality'. By linking quality to a better understanding of service provision it should increase user satisfaction. Therefore, the perception that users have of the process in itself increases in significance (Grönroos, 1994). Consequently, "*the active participation of the customer in the production process makes the process as important as the end product*" (Palmer, 2000, pg.578).

To gain active participation requires the creation of a long-term meaningful relationship between provider and user. This introduces the notion of relationship marketing, whose emphasis is on moving interactions from 'transactional' to 'relational' (Christopher *et al*. 1991). Respectively these involve: short-term exchanges with limited commitment; and longer-term, personalised interactions (*ibid*.). Interactions in Planning can be either: planning applications occur at a point in time and objectors may only have a one-off transactional exchange with the local planning authority; conversely, plan preparation takes longer, consisting of numerous consultative stages, and relational interactions are therefore ongoing, each interaction will be contextualised by those preceding it. Whilst in marketing terms an ongoing relationship with customers is good[4], for Planning the continued interaction with users can be tantamount to dissatisfaction (for example objecting to a particular proposal, or continually raising enforcement issues).

Social marketing is an augmentation of the marketing concept into socially related non-commercial areas (Raftopoulou, 2003). It has particular applicability for those responsible for environmental protection and gaining community involvement (Kotler *et al*. 2002). Social marketing is concerned with planned attempts to persuade a target audience to amend specific attitudes and behaviour (*ibid*.). It differs from traditional marketing in that it seeks to 'sell' an alternative behaviour to service users and can thus be seen as a form of social education (Kotler *et al*. 2002). However, a significant problem is that intended recipients may not be interested in its' message (Chapman & Cowdell, 1998). Additionally, other criticisms of social marketing include: its tactics; motivation; and legitimacy (Raftopoulou, 2003).

People usually only become involved in the Planning system if they consider a proposal is likely to have a negative affect on themselves. As such many exchanges are necessarily *'distress purchases'* (Chapman & Cowdell, 1998). This scenario almost inevitably creates conflict between those objecting and those perceived to be facilitating the development (the planning authority). Providing a planning service is a statutory duty and the local planning authority can therefore be a '*reluctant provider*'. When combined with a user's 'distressed purchasing', mutual distrust can ensue. In extreme situations this can lead to outward hostility, which is a scenario that authorities must clearly guard against.

The monopolistic provision of Planning services effectively creates '*constraint based*' relationships (Bendapudi & Berry, 1997). This makes a relationship less stable and does not augur well for consensus building, which is an important part of constructing 'sustainable communities' (ODPM, 2004c). Conversely, '*dedication based relationships*' are concerned with gaining repeat purchases, creating brand loyalty and retaining customers (Bendapudi & Berry, 1997). These are traits of the pursuit for competitive advantage.

Relationships between parties clearly form an important part of successfully delivering a Planning service that satisfies its users. However, problems with delivery have, in part, been attributed to an increasingly uneasy relationship between service provider and user. This reflects a wider disengagement between the public sector and its public. In order to arrest this deterioration many local authorities have turned to a private sector management tool, Customer Relationship Management (CRM).

[4] *Relational marketing beings measured by customer retention* (Buttle, 2003)

Customer Relationship Management (CRM)

CRM is the practical application of relationship marketing (Gummesson, 2004, pg.137 and Parvatiyar & Sheth, 2002). It is about creating individual relationships through 'one-to-one' marketing in which information on customers is used *"to treat different customers differently"* (Hamilton 2001, in Law *et al*, 2003, pg.52). Consequently CRM can help to identify the 'right' customers to retain, and those to relinquish (Newell, 2000 in Bull, 2003). A properly executed CRM strategy potentially benefits organisations by: identifying individual customers; establishing how to reach those identified; differentiating them in terms of their needs; interacting with them; and customizing output (Gummesson, 2004). But how appropriate is the language of 'the customer' for Planning?

The notion of 'customer' derives from the marketing function (Rowley, 2000): customers in the marketplace have rights ('choices') concerning what to buy, when to buy it, and from whom (Flynn, 1997). However, this choice is not on offer to users of the Planning system. But for the public to feel the need to exercise choice, service providers need to question why this should be so - are services inadequate or are users' expectations unrealistic? The Paper returns later to the ideas of realistic promises and trust through delivery.

Being a 'customer' also implies a financial exchange (Rowley, 2000 and Buurma, 2001). However, the idea that Governments are *"selling their policy to the citizenry*" relates to exchanges based on less tangible elements such as knowledge, votes or information (Buurma, 2001, pg.1287). Applicants for planning permission are charged a fee, whereas objectors write a letter. Both are therefore committing to an 'exchange': financial and 'knowledge-based' respectively. Additionally, some may believe that services have been 'purchased' through taxation, and they consequently consider themselves as customers with the rights that such status holds.

This however implies direct purchase of a particular service, which is rarely the situation as everyone pays for services whether utilised or not, and many are provided without an obvious end product to be 'owned'. Additionally, goods and services are supplied communally to an equal standard regardless of preference (Day and Reynolds, 1998). Service provision is ultimately determined by politicians *not* the amount paid and reciprocation therefore belies societal need and precedence of democratic policy. Obtaining individual 'value', and associated rights, for a given payment is consequently not an appropriate analogy for providing planning services

When determining a planning application the predominance of negativity towards proposals by respondents means the number of 'customers' is usually inversely proportional to their perception of service quality. If a wider spectrum of users can be identified, engaged and retained, with an equally wide spectrum of opinions, these potentially provide a societal input into decision-making. Accordingly, the customer acquisition and retention aspects of CRM may be applicable to Planning, though anecdotally there is industry concern that this will result in objectors merely becoming better informed objectors who are able to manipulate the process.

Although processes and procedures are important aspects in potentially overcoming the intangibility of service provision, the idea that customer involvement must be a good thing does not translate so clearly into planning. A 'customer-led' plan is not necessarily a good plan (Wright *et al*. 2002) and this can hold true for Planning, which has been dominated by single-interest groups, thus weakening its credibility through undermining the values of equity and justice, and seeks to circumvent due democratic process. This idea of forward integration must therefore be treated with caution. The planning system must not be biased, or be seen to be unduly influenced by a particular group.

Attributes of CRM that could have applicability for Planning include: the potential for greater knowledge about users; the attention to users' needs; the potential for improving relationships through mutuality; and the prospect of reducing the expectation-perception gap. However, the idea in CRM that customers can in some way be chosen does not hold true for many aspects of public sector service provision. For local authorities to only seek the 'right' customers potentially conflicts with the 'right of access' to services. Additionally, whilst influencing the public's behaviour has relevance for the public sector, to subsequently mould them into being the 'right' customer has ethical implications. However, and more fundamentally, not only is the user captive but so is the service provider, and this relates to the notions of distressed user and reluctant provider respectively. Consequently, a 'customer' related approach is not a complete package when considering planning service users.

Users of public sector Planning services therefore are not and cannot be customers in the free-market sense. Planning operates in the public interest and the need to 'balance' competing interests means that their various needs cannot all be achieved. Referring to users as customers therefore potentially creates unrealistic expectations – for example the outcome of a planning application is not a matter of customer choice. A more useful terminology for Planning is therefore 'citizen', as the 'process' craves public-centred action through participation. On this basis customer terminology is flawed and 'citizenship' is foremost. However, in spite this disparity there is no academic literature linking citizenship to CRM, and it is to this issue that the Paper now turns.

Citizen Relationship Management (CiRM)

In seeking to improve services and interaction with the public local authority managers should not blindly follow private sector initiatives (Corrigan & Joyce, 1997, pg.423). Instead the public sector's future lies in "*innovation not imitation*" (Metcalf and Richards, 1990, in Corrigan & Joyce, 1997, pg.423). Consequently, tools should not just be adopted *per se*, but rather they should be adapted for the situation in which they are to be used (Claver *et al*. 1999). Adapting CRM to exchange 'customer' for 'citizen', and by trading 'choice' for 'involvement', which necessitates balanced input from all parties, thus engenders the new notion of Citizen Relationship Management (CiRM).

Whilst CRM is about individual customer retention/acquisition and the efficient provision of choice, CiRM (as posited in this Paper) relates to the wider community, trading choice for involvement in a constraint-based relationship, and also includes partnership, inclusion and mediation to arbitrate between conflicting objectives. A working definition of CiRM is:

> ***CiRM*** *concerns the management of public sector service users in order to generate, maintain, and enhance mutually and communally beneficial relationships between provider and user through cultural change.*

Active Citizenship

A customer's rights or privileges are derived from choice of patronage (Raftopoulou, 2003, and Walsh 1994). The privileges that citizens' enjoy come from societal membership (Flynn, 1997). The relationship between citizen and State is not one-way, but rather a matter of shared responsibility (Walsh, 1994), where both parties are committed to societal benefit. Citizens therefore, unlike customers, have duties attached to their status, including voting in elections and participating in local forums. This is 'active citizenship', which has become a central facet of public sector policy (Brannan *et al*, 2006). However, if it is to be anything more than rhetoric, users have to actively engage in the process: "*citizenship as practice rather than citizenship as status*" (Barnett, 2002, pg.312).

The prevalence of apathy, however, in the wider public has resulted in a decline in social cohesion and thus an erosion of citizenship (Barnett, 2002). Ironically the duties of citizenship are such that if services fail then responsibility in part must be carried by citizens themselves (*ibid*.). Citizenship thus concerns both consumption and participation in service creation, leading ideally to service ownership. In terms of Planning, engaging with issues is relatively straightforward when tangible sites are allocated but it is much harder to generate interest if proposals relate to broader strategic or policy issues. Notwithstanding that there are difficulties in bringing the public into direct involvement, this participation must have a purpose (Brannan *et al*, 2006). This links to the notion of making and subsequently keeping realistic promises, and thus reducing the expectation-perception gap.

Service delivery

There is a direct correlation between standard of service and how providers consider their users (Christopher *et al.* 1991, pg.109). Negative perceptions of users can be derived through previous interactions and lead to stereotyping of specific user groups; for example 'residents action groups' or 'environmental lobby groups'. These can be generated by stories of previous occurrences that become embellished over time thus donating permanence to the culture within the organisation.

Bureaucratic administrations can provide certainty, conformity and clear hierarchies of command, but this employee comfort zone can inhibit new ideas, create inflexibility and be generally detrimental to change (Claver *et al*. 1999). Changing the culture of an organisation can be a slow process and treating users as citizens is unlikely to occur instantaneously. It requires long-term change into 'citizen-orientated culture' where users are encouraged to act as citizens through appropriate treatment by service providers (*ibid*.).

Partnerships & Inclusion

Partnership and inclusion are central elements of the Government's planning participation strategy (ODPM, 2004c). Partnerships have three core elements: power sharing; joint action; and the receipt of mutual benefits (Armstrong and Ford, 2000). However, if this is accepted then the Government's desire for partnership working is ultimately unobtainable, as power cannot be shared equally (between users) where diametrically opposed outcomes are required, and neither user has the power to make the decision. The issue instead is one of raising public awareness and providing information in which informed participation can be fostered. This should result in expectations being more realistic, thus reducing the expectation-perception gap. However, ironically, increased awareness can also raise expectation, which can lead to a demand for even greater access to information. The process is therefore cyclical and self-perpetuating.

However, not everyone is able, or indeed willing, to express their views effectively. This puts a brake on the belief that creating partnerships is the complete solution for the planning service. In attempting to generate involvement, the problem historically has been apathy in the wider community. By not getting involved until a proposal directly affects private interests the 'silent majority' are wilfully acting as customers as opposed to citizens. It therefore appears that people prefer being customers as there is no duty to engage and they can continue acting in their own interests. Consequently, for Planning, developing

partnerships entails a metamorphosis of both internal organisational culture (to make it more citizen-orientated) and also of society as a whole (to make it less individual-centric).

Participation as a Surrogate for Choice

Focussing on process as well as outcome can help to overcome concerns about the monopolistic provision of planning services. Involvement in the process is effectively a substitute for a lack of power. The role of planning authorities is to provide the opportunity for involvement, but with an obligation on the individual to take part in a balanced way. A crucial aspect of involvement is therefore 'balance', which is a common theme in citizenship and a pre-requisite for Planning.

For CiRM to work in practice local planning authorities need to facilitate such a position, and to encourage those involved not to become embroiled in personal or historic feuds. The methodology for this is consensus building through establishing a two-way dialogue and the notion of building learning relationships (Gummesson, 2004). The intention being that citizens, as distinct from customers, should not crave choice as merely being involved (having a 'voice') should satisfy them.

Consensus Building & Mediation

The idea of generating 'win/win' scenarios is fundamental to the new planning system but needs to be couched in realism as true consensus is often unachievable in practice. This however does not mean that the concept has no value. Discussions may lead to 'position-shifting' from both sides, thereby fulfilling the mutuality/reciprocation requirements of citizenship, leading to added value (ODPM, 2004b, para.E.2.10). This is effectively 'mediation'.

Linked to this is consensus building, which should start when the process begins because the later people get involved the more likely it is that important decisions will already have been taken (ODPM, 2004b, para.E.2.10). This will help to overcome pre-conceptions as to what can be achieved, thus assisting in countering the expectation-perception issue. However, whilst consensus may be reached with some groups, it may not be attained by all. Indeed, by definition, the silent majority will not be part of that consensus. This is a weakness of the CiRM approach. Instead, solutions should benefit the most (*ibid*.), though ironically this means the 'silent majority' rather than those who have actively participated.

CiRM Compared with CRM

The similarities and differences between CRM and CiRM are summarised in the two tables below:

Similarities between CRM and CiRM
Mutual benefit sought
Improve relationships between parties
Loyalty creation (converting distressed purchaser)
Customer acquisition
Improved word of mouth
Process/procedure to reduce expectation-perception gap

Differences between CRM and CiRM	
CRM	***CiRM***
Choice	Monopoly
Customer (with rights)	Citizen (with rights and duties)
Individual (tailored approach)	Community (requires balance)
Profit (through customer satisfaction)	Societal gain (consensus building)
Personalised service (one-to-one)	Service for society (one-to-all)
Dedication based approach	Constraint based approach
Market principles (commercial marketing)	Social principles (social marketing)
Exchange for money (expectancy)	Knowledge/Involvement exchange

Whilst recent planning guidance is attempting to shift the power balance towards 'the community', as opposed to an individualistic slant, these obligations may not enamour users, especially if they require acting with societal conscience rather than for personal gain. In such circumstances it is questionable whether empowering users will encourage citizenship or conversely whether it will merely serve as a platform from which individuals can pursue their own interests. Therefore, whilst increased engagement may facilitate more involvement, it could also be the catalyst for procrastination in the system.

Methodology and Interviewee Responses

Implementing CiRM, through constructing 'citizen-orientated culture', is dependent on changing attitudes; a pre-requisite of which is to understand the mindset of an organisation's 'opinion leaders' (Christopher *et al*. 1991). Accordingly, interviews were held (over a four week period during 2005) with six public sector managers to explore discrepancies between phenomena and context and the reasoning behind using particular vocabulary. A single case study organisation was selected primarily due to time and resource constraints.

A three-step approach was used in the interviews, adapted from Claver *et al.* (1999). It involved: seeking opinions on the realities of public sector customer service; investigating whether the CiRM model provides a realistic approach; and thirdly, inviting views on how it could be implemented. To reduce bias deriving from interviewees being 'in-house', ideas generated through a public forum, convened to assist in the preparation of the organisation's Statement of Community Involvement are factored in. In summary, seven key themes emerged from the interviews:

1. The appropriateness of using **CRM in the public sector**;
2. Although **customer terminology** has an internal role for service providers, citizenship is key for Planning to function in the 'public interest';
3. **Consensus building** is needed to generate trust and improve advocacy of council services (though subsequent 'ownership' of services was subject to disagreement);
4. **Exchanging choice for involvement** –using social marketing and knowledge exchange to encourage citizenship;
5. Reduce the **expectation-perception gap** through transparency - providing information via feedback/reporting mechanisms to raise communal awareness;
6. The importance of **leadership** to change organisational culture; and
7. The potential for following the **CiRM** model in the public sector.

The following seven sections set out the main issues raised by interviewees, with un-attributed quotations used to demonstrate particularly strong views or interesting points.

1. CRM - Internal service provision and external user activity

"CRM for the organisation is about providing better service for customers". It has three motives: financial gain; a better experience for users; and improving corporate branding. Although 'financial gain' is not necessarily appropriate for the public sector, being prudent with the public purse certainly is; ratepayers need to be given value for money. CRM was believed to help in profiling customers, and although this profile cannot be changed some believed it assisted in understanding who gets involved, and why. Two respondents considered the public sector should be more pro-active, with CRM furthering this objective through constructing a 'history of interactions'. The 'customer selectivity' facet of CRM was acknowledged as inappropriate for the public sector. However, interviewee responses supported view that customers should comprise the starting point for CRM and be viewed as an "*active group*" (Law *et al.* 2003, pg.53). This differs from the private sector notion of CRM where implementation begins with the organisation.

The longevity required to make successful relational exchanges means that an appropriate organisational culture is fundamental (Claver *et al*. 2003). The purpose of CRM is to take the organisation from *"as is"* to where we want *"to be"*. To achieve this CRM was considered to need to be a way of life, which supports the link between culture and implementation and concurs with the view that CRM should be at the core of every employees' function (McKenna, 1991, and Bull, 2003). Getting employees on side therefore needs to be a key element of the strategy.

2. Citizens and customers

Customer terminology was seen from two perspectives: managers looking outwards; and the public looking in. All interviewees stated that potentially everybody is a 'customer' of the organisation. However, if the public believe they are market customers this can create unrealistic expectations and interviewees accepted that the customer always being right does not translate well into the public sector. However, it was stated that "*this does not mean we* [the organisation] *are always right*". 'Customer' categorisation, in terms of its ethos (respect and fair consideration) as the basis for organisational culture, was considered to be an appropriate approach to work towards. The organisation has an obligation to listen and respond to customers' concerns, but importantly *"there is no obligation to acquiesce"*.

Customers, by their nature, will generally act in the short-term. Planning has long-term implications, therefore it is important to get people to see the bigger picture. Similarly, there was an awareness of the difficulties in delivering public services, as what constitutes the 'local' community and the 'countywide' community are different, potentially holding diametrically opposed views. This reflects Slack *et al.* (2001) and Kessler & Shapiro's (1998) belief that the role of local government is to balance diverse and competing interests. One interviewee stated that aligning groups is near impossible, and, "*if quality is measured by keeping all parties happy, this not going to happen*": too often the user's view is '*what's in it for me?*' Consequently, 'citizen' terminology, so far as it relates to communal action, was seen positively, especially in relation to Planning's public interest aspirations.

Referring to customers as citizens may make them more aware of societal duties (Buurma, 2001). However, there were mixed opinions on the ability to substitute 'customer' for 'citizen'. This is believed to be due to the parochial attitude apparent in an otherwise apathetic electorate. Interviewee scepticism on this matter is considered to reflect a wider societal problem: the contradiction between increased expectancy and a low impression of local government, which is reflected in perceived satisfaction levels (Cabinet Office, 2004). This is a potential weakness of the CiRM model, which needs to be overcome by addressing long-term societal culture problems through raising awareness of issues from an early age.

The managers' perceived low trust of politicians by the public, combined with people no longer having an unquestioning belief in professionals, causes the council's 'we know best' attitude to fail on two accounts. However, the benefit of marketing

approaches to improving community interaction is that it "*improves the balance between the general interest of the social effects and the individual self-interest that people may have*" (Buurma, 2001, pg.1298). This mirrors the importance of 'balance' in Planning and gives credence to the use of such methodology.

3. Consensus building and community ownership

There was a belief that generating 'community ownership' through consensus could be attained, one interviewee stating as an idea it is both realistic and important. However for this to work it was considered that people need to be involved from the start. A pre-requisite is generating 'active citizens' who can be relied upon to act communally and participate for the good of society. The problem identified with development plan preparation is that it is a long-term activity that for many is distant and bureaucratic. The esoteric language of Planning compounds this and it is unsurprising that some managers considered ownership an unlikely outcome.

One interviewee considered it important to gain 'active dialogue' by building on positive experiences stating that "*people feel good about being involved*". Active engagement is not about handing decision-making to a lynch mob, instead it can be achieved by keeping people informed by providing meaningful engagement where there is 'participation' not just 'consultation'. Several forum attendees considered accessibility of information to be a major barrier to involvement stating that the mechanisms/networks for broader dissemination of information were either non-existent or ineffective.

Consensus building, through making promises (for example, reassurance to host communities about how a development will function), requires trust to be created between parties. This was considered by interviewees to combine with intangible policies and procedures to make it difficult for people to understand the issues and construct an informed response. This therefore reflects the intangibility of service provision (Palmer, 2000) and subsequently raises the importance of production processes and the provision of information in overcoming 'fear of the unknown'. Trust should build between parties through adopting transparent processes, clearly defined feedback and reporting mechanisms - "*trust precedes satisfaction*" (Halliday, 2004, pg.46).

4. Exchanging choice for involvement

Trading 'choice' for 'involvement' was subject to conflicting responses dependant on whether it concerned the public sector as a whole or just Planning. In the wider sense it was considered valid due to the electoral system, one interviewee stated, "*I strongly believe that this is the only way you can move forward*". Another noted the current Government drive towards 'choice' was embodied through service flexibility. One however felt it did not have merit as choice did exist in the public sector (for example education and healthcare), albeit not across all services. For Planning, three interviewees believed it had applicability because of involvement in 'choosing' policy direction. Whilst this may be so during the process it is the outcome which some interviewees believed people are ultimately interested in: if participants get their desired result the process is good, if not then that same process is considered flawed, or else incorrectly applied. One went on to state that by actively involving objectors in the process the recourse for complaint at the end is lessened. Although for involvement to be truly effective it was considered necessary for a representative cross-section of the community to be engaged, which at present did not happen.

The constraint based approach and monopolistic provision are linked as they both point towards a lack of choice for public sector service users. "*In the private sector customers can choose to 'fight or fly'. In the public sector they can only fight us.*" This reflects Chapman & Cowdell's (1998) 'distressed purchaser' notion. The alternative to 'fighting' was considered to be either engaging or relinquishing societal relations. These suggest polarised positions which are rarely present. Being locked into a relationship was universally considered to make the keeping of promises crucial. However, one respondent cautioned, "*we need to have a reality check on what is being promised, the key is to make promises that can be kept*": too often peoples' hopes were raised and then dashed.

Knowledge exchange, rather than financial exchange, was considered to drive expectations. By better informing people at point of contact the expectation-perception gap can be reduced and make expectations realistic. In general, respondents felt the organisation was poor at explaining why something had (or hadn't) been done, which was compounded by having overly ambitious aspirations. Consequently, the key was 'realism', though with the ambition to exceed that level. One interviewee noted however that there will always be those who seek the earth.

The notions of knowledge/involvement exchange, social principles and social marketing are linked through the idea that social marketing instils social principles into those acting out of personal interest when involved in Planning knowledge transfer. By users providing information (in the form of objection letters) they are entering into an exchange, from which those who shouted the loudest expected the greatest return for their involvement.

The idea that people feel good about being involved partially reflects Christopher *et al.*'s (1991) 'ladder of participation' through the notion of advocacy and positive word-of-mouth. However, it was recognised

that for the public sector, 'climbing the ladder' must be treated with caution. Users should not be led to believe that they can attain a higher status than statutory regulations allow. If participants consider they are empowered to make planning decisions, to only later realise this was disingenuous, will damage trust and result in detrimental word-of-mouth.

5. Reducing the perception-expectation gap

All interviewees noted that public expectation in public sector delivery had increased. This was considered by one respondent to be particularly problematic when added to personal interest. Those interviewees who operate in 'front-line' customer service positions voiced concern at how perceived status (i.e. akin to the marketplace) affected public behaviour. Despite these heightened expectations some considered users ironically had a poor perception of local authorities, caused either by personal experience or adverse media reporting.

The idea that reducing the expectation-perception gap requires lowered anticipation and increased external perception highlighted two areas to be addressed. This involves not only making more information available, but being pragmatic about what is being sent out. Both reflect Grönroos' 'promise concept' in that "*keeping promises, rather than making them, is the key to maintaining and enhancing customer relationships"* (Calonius, 1988 in Fabien, 1997, pg.206). The idea of taking difficult decisions for the good of society involves conveying the message that Planning operates for the good of all and not individuals. This further links knowledge exchange with social marketing and also the need for strong leadership to make and keep promises.

6. Leadership

Effective leadership being a prerequisite for a successful CRM strategy (Galbreath and Rogers, 1999) and is also required to transform customers into citizens. Leaders provide the strategic vision for the organisation and have financial control over what gets implemented (Bull, 2003). The case study organisation's appointment of a charismatic new Chief Executive Officer (CEO) is an important step. To improve staff morale a pragmmatic approach to revising pay scales was recently undertaken by management, which cut through usual bureaucracy and anecdotally made an instant improvement to employee satisfaction. The staff-manager relationship reflects an in-house approach to both Christopher *et al.*'s (1999) 'loyalty ladder' and Webster's (1992) 'business relationships model' by seeking to improve employee advocacy. The case study organisation already demonstrates many culture changes, key to which has been wholesale management buy-in, which ties in with both the notion of 'management interaction' and generating a 'citizen-orientated culture'.

7. The potential for CiRM

CiRM applies to the community rather than the individual and, unlike CRM, it consequently does not aim to be selective. The difficulty in getting everybody to act communally was universally highlighted. This was on three levels: firstly, the materialist approach to societal culture has individualism at its heart; secondly, the 'community' in one part of the authority's administrative area may not have a clear relationship with those in another, illustrated by the disparity between urban and rural areas; and thirdly, communal action means different things to different people, which at one extreme can be little different from the self-protectionist stance of the individual.

It was noted that it is easier to change peoples' beliefs than their behaviour. For Planning, behaviour can be changed through influencing the beliefs as it is through the latter that the former is driven i.e. believing that a particular development will have a detrimental impact therefore direct action (behaviour) in terms of objecting ensues. The key issue apparent for implementing CiRM is overcoming conflict between the public interest and parochial involvement. This raises a number of related issues: balancing provision; creating realistic expectation-perception levels; delivering promises; and improving organisational culture.

Conclusions: The Way Forward for CiRM

The need for balance is essential to address the conflict between planning's arbitration of 'societal interest' and individual's seeking personal gain. Fundamental to this was believed to be access to information and being realistic in making promises to preclude false expectation. However, this has caused an increased politicisation of public sector managers' role, who run a balancing act for all services and all groups. Additionally, and overarching the process, staff involvement in service provision means that organisational culture is important. This cyclical process, beginning and ending with 'balance', therefore has interrelated elements.

The respondents' acknowledgement that 'citizenship' terminology is appropriate in pursuing Planning's objectives was tempered by the difficulty of transforming individual interest into communal benefit. Three recommendations are put forward for managing Planning's users in the public interest through CiRM:

1. improving information awareness to donate a foundation for active-citizenship;
2. providing transparency within Planning processes; and
3. providing the right culture within which to deliver services.

***Recommendation One*: Awareness Raising**
Public policy should make clear the requirements for citizen behaviour, which would assist the public to understand what is expected of them. Active citizenship is a response to the requirement for citizens to act with wider social motivation in return for public services (Buurma, 2001). Users need to be educated about the importance of consensus building in balancing environmental protection and society's need for development. Being a citizen thus plays an important part in defining not only how an individual perceives themselves, but also what they understand of the external environment, including their role in society (Raftopoulou, 2003). Improving awareness provides the foundations for this, but it requires managers to fulfil realistic promises in tandem with promoting appropriate conduct. This social marketing approach is necessary in order to reverse the individualist stance that is apparent, though care needs to be taken not to regress into authoritarianism.

***Recommendation Two:* Transparency in Decision Making**
Removing the barrier of information accessibility, in terms of: language; relevance; and availability, should be a focus for improving involvement in Planning. Getting transparency ('openness') into the process will assist in building trust between parties through clearly defined feedback and reporting mechanisms. "*The public sector demands an openness and accountability that is less appropriate in the world of commerce*" (Walsh, 1994, pg.67). Consequently, local authorities need to be realistic and explicit about promising service delivery to preclude false expectation. A 'layered' approach to engagement, appropriate to the level of involvement (macro or micro), could be employed by organisations to overcome transparency/accessibility issues.

***Recommendation Three*: Cultural Change**
It is through human resources that service provision is realised (Claver *et al*. 1999). The beliefs and values of employees have a bearing on the level of service provided and the manner in which it is offered. Delivery of the first two recommendations is therefore dependant on the attitudes of service providers. Consequently, it is through the service providers that change needs to occur first, which requires internal culture change within the public sector.

Further Areas for Investigation
This paper has touched on many interesting issues that the scope of the research has only allowed for their mention in passing, for example the notions of governance, trust, equity, commitment, conflict, and power, to name but a few. A detailed discourse on these elements would provide useful and important additions to this subject area. Similarly the study does not seek to examine the pros and cons of different techniques for facilitating public participation in Planning. These too are wider subject areas, worthy of investigation, but ones that cannot be done justice within the confines of this work.

Final thoughts
Local government is in the business of providing services (Schmidt, 1999) and 'customer' vocabulary should therefore not simply be discarded. The benefits of treating users as customers has long been advocated (Law *et al*. 2003); i.e. enhancing provider responsiveness by recognising the necessity to understand, and then meet, users' needs (Jones, 1998).

The public sector, however, has a vast array of users, whose expectations vary considerably and it is impossible to satisfy all their needs/wants. The user cannot therefore always be right. As a result, although the notion of 'customer care' can appear "*slick*" and business orientated, it does not sit easily with public services (Gaster, 1996, pg.80). In applying CRM there is therefore a danger of trying to fit a private sector model into the public sector without wider consideration of its implications (Van Gramberg and Teicher, 2000).

The main concerns about CRM in a Planning environment lie in the assumed primacy of the individual and aspirations of selectivity. This is unrealistic for two reasons: firstly, the planning system exists for public benefit, not to protect private interests; and secondly, the public sector cannot target audiences in the same way as the free market. Planning service providers cannot choose who receives the service, no matter how desirable this may be. Creating a personal relationship with every member of society is neither possible nor useful. Consequently, for planning, treating people as individual customers with differing needs is unfeasible, and using CRM for 'one-to-one' marketing is unwarranted.

It is clear that for Planning the notion of 'citizenship' is most appropriate, and an alternative model, CiRM, has been proposed. However as a potential strategy for overcoming Planners' failure to appropriately engage and surmounting parochial interest is yet to be tested. Caution therefore still needs to be exercised not to trip over the customer's red carpet.

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