Smart city initiatives are cropping up everywhere nowadays. Indeed, in recent years, many cities around the world have made good progress to become “smarter.” With big investments in technology, mobility solutions and modern infrastructures, these cities are now better equipped to face the future.

But what do we mean by a smart city? Most people think it is to do with implementing innovative new technologies. Yet if you ask most people to describe their ideal future city, nine times out of ten it is not really about having flashy technology. Instead, it is about having a city that can provide rich employment opportunities, is easy to navigate, is environmentally friendly, low in crime and inequality, has a community feel and is well managed. Technology can certainly help with this, but it is not an end to itself. After all, while it’s great having high-tech infrastructure, if the city is so polluted and crime is so high that no one wants to live there, it is a wasted investment.

Every year I and my fellow researchers look into how a number of leading world cities fare across a range of different indicators (such as the economy, social cohesion, the environment and mobility and transportation, among others) for the IESE Cities in Motion index. While progress has been made (Dublin itself moved up three places from last year to rank 30th), it is clear from our work that not one world city is succeeding across all these measures. Time and again we have found that the greatest single challenge for cities is how to transform themselves into urban centers that are simultaneously prosperous, equitable and inclusive.

Many cities are still lagging behind in a very
Modern metropolises such as London, New York City or Paris, despite ranking in the top spots on our index, are still grappling with the issue of widening inequality. For example, London, which in our index stands out for having top-level business schools and the highest number of universities and population with secondary and higher education, has almost one third of its citizens living below the poverty line, according to the UK charity Trust for London.

Yet these are cities doing innovative things to help different strata of society mix in often surprising ways, such as through designing more thoughtful urban spaces. In Vienna, for example, they are very good at ensuring that social housing is provided, often in the same building, with homes for those from higher incomes, along with areas for commercial shops and recreation. This can help with making all members feel part of a community.

To ensure truly sustainable growth according to the UN, nearly 70% of the world population will be living in cities by 2050, cities also need to find a balance between economic prosperity, improved mobility and comfort with equality and respect for the environment. Otherwise, the arrival of all these new citizens can seriously disrupt cities functioning and overall progress.

I’ve found that the most important aspect to successfully addressing this is a subtle, but important point: the mindset of urban planners, city mayors etc. In every decision (whether it’s on transport, housing, talent development or whatever) how to balance these competing needs for the city should be top of mind in the decision-making process. I like to call this “smart governance”.

Finding this balance is not easy, but we have also spotted some good examples in our index of cities doing well at combining development and sustainability. Amsterdam, for example, ranks moderately well in all aspects measured in our index (quality of its governance, access to technology, social cohesion or respect for the environment). The city’s government has clear policies for growing responsibly and applying balanced policies (such as their City in Balance policy) that aims to help ensure “openness, hospitality, diversity and a human scale.”

Citizens are also becoming ever more vocal and involved in their local communities – thanks, for instance, to social media – which means that their needs and expectations cannot be ignored. The Dutch government has been quick at understanding and embracing this through a mutual city - citizen collaboration, they call “doocracy.” Citizens and government work together in specific cases looking for solutions to benefit all. As shown by our index, this approach seems to be working.

Having “smart governance” as opposed to smart cities is also about prioritizing well. In a recent trip to Buenos Aires, I saw that while they had included new “walk/don’t walk” signs in the road surface (aimed at pedestrians too busy looking down at their phone to look up when crossing the street) they had neglected the more basic need of filling potholes in the road a street over.

Clearly, smarter city governance is needed to better manage all these factors, and create livable and creative urban spaces that can provide a healthy, environmentally friendly and prosperous atmosphere for all its citizens.

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