

## THE INFLUENCE OF RESOURCES AVAILABLE IN THE LOCAL PUBLIC ADMINISTRATION ON THE DEGREE OF AUTONOMY

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### Abstract

*Since local public administration meets local public interests by using local public resources – human, material and financial ones, the important role of the latter in the functioning of the local public administration cannot be denied. In a corresponding way, local autonomy – essential variable in the development process of the local public administration, cannot express truly without the existence of the local public resources available to the local community. In this matter, through the present article we aim to analyze the link between the level of the local public resources and the degree of the local autonomy, in relation to the concrete situation of Romanian local public administration, with an emphasis on the Suceava County. Investigations carried out in the administration of Suceava County have confirmed that the increasing of the level of resources available in the local public administration have also increased the degree of the local autonomy. A higher level of local public resources available to management representatives in the local public administration is likely to ultimately enhance their ability to achieve goals without support come from outside, which emphasizes a high degree of autonomy in the local administration process.*

**Key words:** *local public administration; local public resources; local autonomy; local public authorities; management representatives in the local public administration structures.*

**JEL Classification:** *H83*

### I. INTRODUCTION

Within the present article we aim to emphasize the influence that local public resources available to management representatives of local administrative structures have on the local autonomy level. From such a direction, we intend, by the approach we are taking, to find a scientifically argued answer to the following question: *Whether and how local public resources influence the degree of autonomy in local government?*

To guide the entire study we are carrying out, the approach developed in the following pages aims to *investigate the public resources available in the local public administration to highlight the link with local autonomy.*

To achieve the goal stated in this paper we propose the following objectives, both theoretical and practical:

O<sub>1</sub>: explaining the content of the autonomy through its sizing in local public resources;

O<sub>2</sub>: analyzing the availability of human, material and financial resources in the local community, in relation to the concrete situation of the local public administration, with an emphasis at the level of Suceava County;

O<sub>3</sub>: estimating the degree of local autonomy and the level of local public resources through the opinion of representatives of local government management of Suceava; and

O<sub>4</sub>: determining the link between the level of local public resources and the degree of autonomy in local public administration.

To develop the study in relation to the purpose and objectives set, we start from the following hypothesis: *The level of resources available in the local public administration positively influences the degree of local autonomy.*

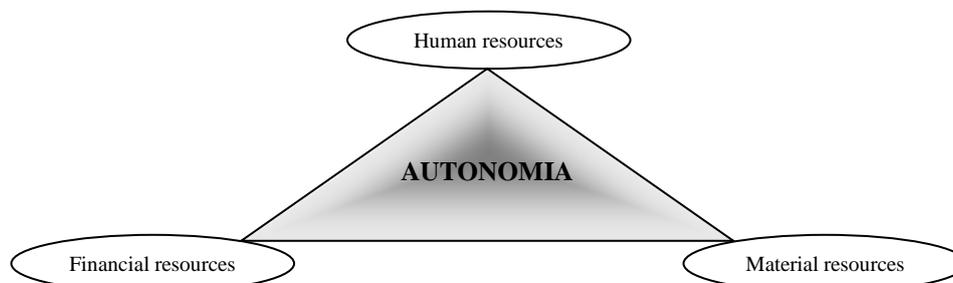
To achieve the goal, objectives, and to confirm/oppose the research hypothesis, we will use both a *qualitative* approach, and a *quantitative* one. From a qualitative perspective, we will recourse to the investigation of the specialized literature and to the study of various documents (regulations in matters, regular reports on local public finance) based on which we will obtain useful information in research. From a quantitative perspective, we will use in the study carried out the systematization, indicators, the association analysis, the correlation analysis, these methods serving to highlight and explain the relationship between variables pursued.

In another register, we note the fact that this article represents only a fragment of a more extensive research on the autonomy in the management of local government. The collection of information on the reality under investigation is carried out by appealing to questionnaire-based survey, which was conducted on a sample of 116 representatives of local government institutions (dignitaries, managers, civil servants) of Suceava County.

In achieving the applied component of the study developed, based on data from the sample of representatives of local government, we will analyze the opinion expressed on local autonomy degree and the level of resources available to local public administration. Through investigations carried out, we will show whether or not there is connection between the variables considered and we will measure the intensity of the link established.

## II. RESOURCES DIMENSION OF THE LOCAL AUTONOMY

In the management of local public administration, autonomy is not functional and does not act in a genuine way unless it operates on several levels, as follows (see Figure 1):



**Figure 1 - Dimensions of local autonomy expression**  
Source: author's contribution

Therefore, it is essential to analyze the autonomy through the following three dimensions:

*Human resources dimension.* Since local government works and fulfills its mission with and through human resources, we can only imagine the importance of this dimension for the functioning of the autonomy in the conducted management in this sector. Viewed through the lens of this dimension, the local government autonomy reveals the freedom of the public administration to have in its structures its own human resources that have the responsibility to act and to report continuously, in order to meet the needs of the local population.

In other words, human resources dimension of the autonomy regards the right of the local government to dispose of its own human resources able to take initiative and act in solving local problems, respecting their prerogatives in the position they hold.

*Material resources dimension.* For actual manifestation of autonomy, it is essential that local authorities have a material base which includes property belonging to public and private domain of the county, city, town or village, to manage them according to the needs of the local population.

Without the existence of this material foundation and without the freedom to manage it according to its own needs, the local autonomy would only mean the affirmation of a theoretical principle, free of content and relevance in the practical actions (Preda, 2006, p. 351).

In this respect, we underline that the material resources dimension of the autonomy refers to the ability of the local authorities of having their own material basis, to administer it in the interest of the local collectivity, without interference coming from the central government.

*Financial resources dimension.* As regards this dimension of the local autonomy, a short inventory of the specialized literature reveals generous clarifications. The importance of the financial statements is undeniable, according to N. Dykes from whom we learn that the financial autonomy of local government is the key to real power (Dykes). In the same matter we quote K. Beer-Tóth who tells us that local autonomy cannot make sense unless local authorities have adequate financial resources (Beer-Tóth, 2009, p. 70). Noteworthy is the approach of Professor M.V. Bedrule-Grigoruță, that central government authorities may not establish or impose any responsibilities to local government (...), without providing adequate funds to achieve those responsibilities (Bedrule-Grigoruță, 2008, p. 55).

In concise terms, everything leads us to conclude that the actual operation of local autonomy is conditioned mainly by its financial dimension, consisting of right and ability of local public administration authorities to have the financial resources necessary and sufficient for the exercise of their obligations and for the satisfaction of local needs.

**III. AVAILABILITY OF HUMAN, MATERIAL AND FINANCIAL RESOURCES IN THE LOCAL COMMUNITY**

Specifically speaking, local autonomy can operate to the extent that local communities benefit from:

- *Human resources* to manage the local public businesses;
- *Material resources* to manage according to local public needs; and
- *Financial resources* to cover public expenses (Scutariu, 2016, p. 191).

In the following lines we will analyze the condition of manifestation of autonomy with reference to the local community of Suceava County.

*Human resources.* To accomplish their tasks, local governments have their own personnel.

In the case of Suceava County, specialized unit of the County Council works with a number of 226 posts, as follows (see Table 1):

**Table 1. Number of posts in the Suceava County Council**

Consiliul Județean Suceava		Posturi
<i>Funcții de demnitate publică</i>		3
<i>Cabinet președinte</i>		4
<i>Administrator public al județului</i>		1
<i>Secretar al județului</i>		1
<i>Funcții publice</i>	de conducere	22
	de execuție	122
<b>Total funcții publice</b>		<b>144</b>
<i>Funcții contractuale</i>	de conducere	5
	de execuție	68
<b>Total funcții contractuale</b>		<b>73</b>
<b>Total posturi</b>		<b>226</b>

Source: Communication of the Human Resources Department of the Suceava County Council

As noted, the local collectivity of Suceava County has its own human resources, managing local public businesses.

*Material resources.* Local collectivity county has assets belonging to the public and private domain, such as (point II from Annex - The list of some goods that make up the state’s public domain and administrative-territorial units at Law no. 213 of November 17, 1998 on the publicly own property):

Assets belonging to the *county public domain* are:

1. County roads;
2. Lands and buildings in which the County Council operates, as well as county public institutions, such as: libraries, museums, county hospitals and other similar goods, unless they have been declared of public national or local interest; and
3. Zonal or microzonal system water supply networks, as well as water treatment stations with their equipments, buildings and related land.

Goods owned by the administrative units which are not part of the public domain constitute *the private sector* (art. 4 of Law no. 213 from November 17, 1998 on publicly own property).

Therefore, the local community considered has material resources to manage them according to their own needs.

*Financial resources.* For a clear picture of local funding within the collectivity of Suceava County, we present further the values of a relevant indicator. The degree of financial autonomy can be estimated based on the following indicator: *the self-financing capacity of local authorities*, which shows the share of their own revenues in the whole local budgetary incomes (Dogariu, 2010, p. 68).

The mathematical relation of calculation have the following formula:

$$Ca_{loc.} = \frac{Vp_{loc.}}{Vt_{loc.}} \times 100, \text{ where}$$

$Ca_{loc.}$  – self-financing capacity of local authorities;

$Vp_{loc.}$  – own revenues of local authorities;

$Vt_{loc.}$  – total incomes of local authorities;

*Interpretation:*     ↗ 100% Increased Autonomy  
                              ↘ 100% Low Autonomy

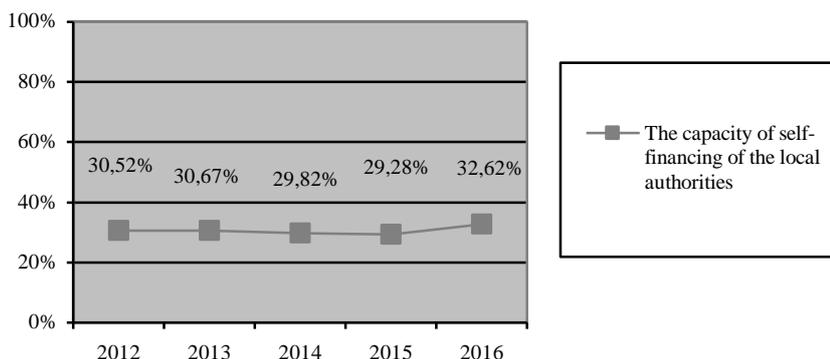
Based on the above formulas, we calculate the degree of financial autonomy within local collectivity of Suceava County (see Table 2):

**Table 2. The degree of financial autonomy in Suceava County from 2012 - 2016**

Year	Indicator		
	Total revenues (Thousand Lei)	Own revenues (Thousand Lei)	Self-financing capacity of local authorities (%)
2012	1.413.823	431.599	30,52
2013	1.389.746	426.288	30,67
2014	1.506.639	449.316	29,82
2015	1.737.403	508.764	29,28
2016	1.686.238	550.209	32,62

Source: author’s contribution using data contained in Reports on local public finances from 2012 - 2016, by the Romanian Court of Accounts, <http://www.curteadeconturi.ro/sites/ccr/RO/Publicatii/default.aspx>, accessed July 4, 2018

The evolution of this indicator calculated for estimating the degree of financial autonomy in the period considered is found in the following chart (see Figure 2):



**Figure 2 - The evolution of the degree of the financial autonomy in Suceava County from 2012 - 2016**

Source: author’s contribution based on data from Table 2

The analysis of the data summarized in the table above, and the visualization of the above chart shows that, for the period considered, the highest financial autonomy was recorded in 2016 ( $Ca_{loc.} = 32,62\%$  - value close to 100%), knowing decreases in 2015 ( $Ca_{loc.} = 29,28\%$  - value far from 100%) and 2014 ( $Ca_{loc.} = 29,82\%$  - value far from 100) and a more increased financial autonomy was recorded in 2013 ( $Ca_{loc.} = 30,67\%$  - value close to 100%) and 2012 ( $Ca_{loc.} = 30,52\%$  - value close to 100%).

As can be seen, the collectivity of Suceava County has financial resources available to satisfy their own needs.

#### IV. THE DEGREE OF LOCAL AUTONOMY

The investigation of the opinion of representatives of local authorities from Suceava on the local autonomy allowed the estimation of its degree, in which sense we calculated the static indicators to characterize the average and the standard deviation. The following table shows the average level and standard deviation of respondents' answers on *the degree of local autonomy* variable (see Table 3):

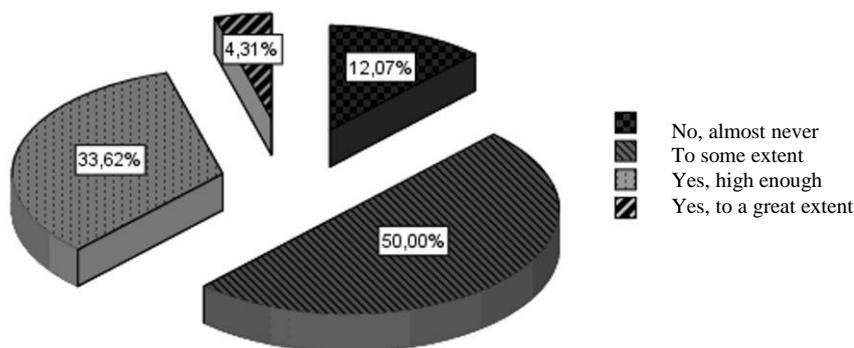
**Table 3. Mean and the standard deviation for the variable degree of local autonomy**

Variable	Average	Standard Deviation
The degree of autonomy in local public administration	3.30	0.737

Source: author’s contribution using SPSS program

From the data analysis summarized in the preceding table results that the average *degree of local autonomy* variable is 3.30, which means that the respondents consider that the local public administration is autonomous to some extent.

Studying the responses on *the degree of autonomy in local government* reveals that half of the respondents stated that the local government is autonomous to some extent. In addition, more than a third of respondents (37.93%) believed that local government is high enough (33.62%) and to a great extent (4.31%) autonomous (see Figure 3):



**Figure 3 - The perception of the degree of autonomy in the local public administration**

Source: author’s contribution using SPSS program

These results can be attributed to the fact that local government representatives responded with reference to the local administrative system, on the whole, without talking about a subjective approach, in a particular way. It follows from the investigation of the responses received that the local public administration enjoys an autonomous status in the sense that, through its representatives, it manages local public affairs without interference from the central government.

**V. RESOURCES AVAILABLE TO THE LOCAL PUBLIC ADMINISTRATION**

Further to the approach we analyzed the opinion of the representatives of the local public administration from Suceava about the level of local public resources available. The average levels and standard deviations of respondents' answers on the variable *level of resources available in the local public administration* can be found in the table below (see Table 4):

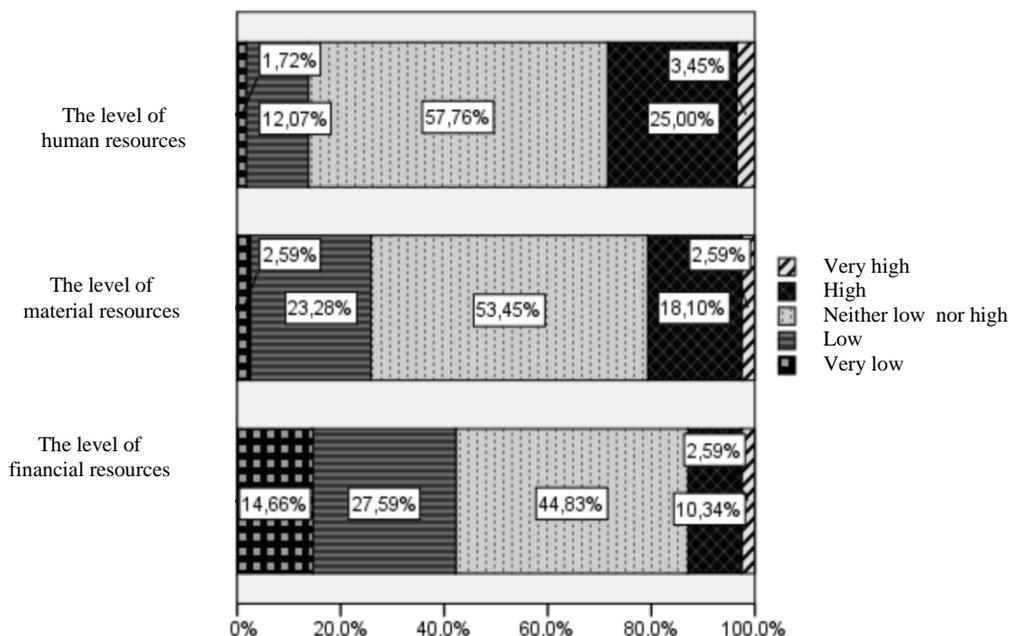
**Table 4. Means and standard deviations for the variable level of resources available in the local public administration**

Variable	Average	Standard Deviations
The level of resources available in local government	2.90	0.717
The level of human resources	3.16	0.745
The level of material resources	2.95	0.790
The level of financial resources	2.59	0.952

Source: author’s contribution using SPSS program

From the data analysis summarized in the table above follows that the overall average for the variable *level of resources available in the local public administration* is 2.90, which means that respondents consider that this level is neither low nor high.

The following figure illustrates in a comprehensive way the perception of the local public administration representatives, expressed as a percentage, on *the level of local public resources* (see Figure 4):



**Figure 4 - The perception on the level of resources available in the local public administration**

Source: author’s contribution using SPSS program

Investigating the opinion of representatives of local public administration in relation to each of the three categories of resources (human, material, financial) reveals a level neither low nor high, according to the majority of respondents (57.76%/53.45%/44.83%). In the case of financial resources for an almost similar percentage of respondents (42.25%) the level for this category of resources is low (27.59%) and very low (14.66%). The results registered are explained by the fact that local governments have always blamed the lack of resources for the fulfillment of their responsibilities, a situation that has worsened especially during the financial crisis. A part of the financial resources is transferred from the state budget, another part comes from taxes paid by local community members, but they are insufficient for proper management of local public affairs and, consequently, to meet the local needs. A solution to overcome this situation could be to attract investment to provide the necessary support for local funding.

**VI. THE ASSOCIATION BETWEEN THE LEVEL OF RESOURCES AVAILABLE IN THE LOCAL PUBLIC ADMINISTRATION AND THE DEGREE OF LOCAL AUTONOMY**

From data analysis on the relationship between *the level of resources available in local public administration* and *the degree of local autonomy* (see Table 5) results that the respondents considered that the level of local public resources is very low, half says that local government is almost never autonomous. Of those who argue that the local resources are low, most (46.4 %) believe that local government is almost never independent. Among respondents who opine that the local public resources are neither low nor high, about two thirds (63.8 %) stated that local government is autonomous to some extent. Among those who believe that the local public resources are high, the majority (66.7%) stated that local government is autonomous in a great extent. Of respondents that believe the local public resources are very high, half states that local government is autonomous in a very large extent.

**Table 5. The relationship between the level of resources available in the local public administration and the degree of local autonomy**

		The degree of autonomy in the local public administration				Total
		No, almost never	To some extent	Yes, high enough	Yes, to a great extent	
The level of resources available in the local public administration	Very low	50.0%	50.0%	.0%	.0%	100.0%
	Low	46.4%	39.3%	14.3%	.0%	100.0%
	Neither low nor high	.0%	63.8%	34.8%	1.4%	100.0%
	High	.0%	13.3%	66.7%	20.0%	100.0%
	Very high	.0%	.0%	50.0%	50.0%	100.0%
Total		12.1%	50.0%	33.6%	4.3%	100.0%

Source: author’s contribution using SPSS program

Based on these results we found that the increasing of the level of resources available in the local public administration tends to increase the degree of local autonomy. A high level of resources (human, material, financial) available to local public institution is likely to strengthen the capacity of local government representatives to achieve their objectives without requiring the support come from the center, circumstance that reflects a high degree of local autonomy.

**VII. THE CORRELATION BETWEEN THE LEVEL OF RESOURCES AVAILABLE IN THE LOCAL PUBLIC ADMINISTRATION AND THE DEGREE OF LOCAL AUTONOMY**

To verify the research hypothesis "*The level of resources available in the local public administration positively influences the degree of local autonomy*", we correlated items related to these variables. Pearson correlation coefficient r and the value of Sig. corresponding are (see Table 6):

**Table 6. The correlation between the level of resources available to local government and the degree of local autonomy**

		The degree of autonomy in local public administration	The level of resources available in local public administration
<b>The degree of autonomy in local public administration</b>	Pearson Correlation	1	,623**
	Sig. (1-tailed)		,000
	N	116	116
<b>The level of resources available in local public administration</b>	Pearson Correlation	,623**	1
	Sig. (1-tailed)	,000	
	N	116	116

\*\* . Correlation is significant at the 0.01 level (1-tailed).

Source: author’s contribution using SPSS program

The influence of *the level of resources available in local public administration on the degree of local autonomy* is shown by obtaining a positive direct correlation between these two variables (r = 0.623, p <0.001). It follows that the representatives of the local administrative system who argue that local government has a high level of resources (human, material, financial) tend to declare that the degree of local autonomy is high and vice versa. According to the proposed scale Cohen (the values of r are as follows: 0.14 - weak association, 0.36 - moderate association, respectively, 0.50 - strong association), the relationship between these two variables is strong. Since the coefficient of determination is R<sup>2</sup>= 0.38, it means that 38% of the variation of the level of resources available in the local government determines the variation of the degree of local autonomy.

Testing the significance of the correlation coefficient was carried out using the t test.

Null and alternative hypotheses are:

- H<sub>0</sub>: There is no correlation between the level of resources available in the local public administration and the degree of local autonomy; and

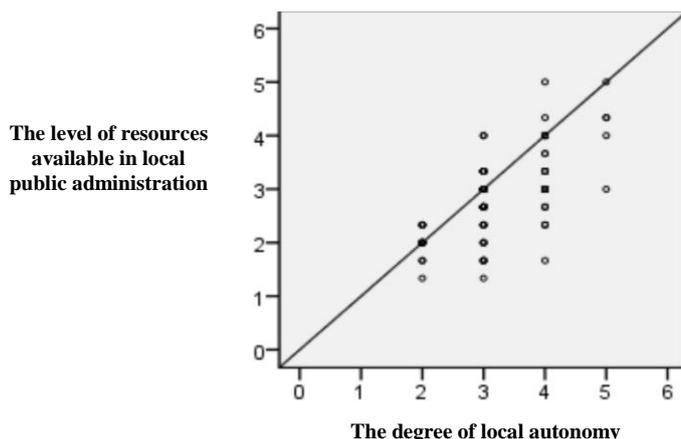
- H<sub>1</sub>: There is correlation between the level of resources available in the local public administration and the degree of local autonomy.

H<sub>0</sub>: r = 0 and H<sub>1</sub>: r ≠ 0

The relation of the t test is: 
$$t_{calc} = \frac{r_{yx} \sqrt{n-2}}{\sqrt{1-r_{yx}^2}} = \frac{0.623\sqrt{116-2}}{\sqrt{1-0.623^2}} = 8.50 \cdot$$

In Student t table for 116-2 = 114 degrees of freedom and a significance level α = 0.01, t = 2.326. Since t<sub>calc</sub>= 8.50 > t<sub>calc</sub>= 2.326, we reject the null hypothesis and we conclude with a 1% risk that the correlation coefficient is equal to 0, i.e. that there is a relationship between the variables correlated significantly, so the coefficient of correlation is significant. The corresponding value Sig. is equaled to 0.000, and is less than 0.01, which means that between the two variables there is a significant correlation.

The graphical representation of the correlation between the variables studied is as follows (see Figure 5):



**Figure 5 - Graphical representation of the correlation between the level of resources available in local public administration and the degree of local autonomy**

Source: author's contribution using SPSS program

From the graph follows an upward view of the point cloud, a situation that suggests a tendency to correlate the level of resources available in the local public administration to the degree of local autonomy.

### VIII. CONCLUSIONS

On the background we have seen in the pages of this work and also from a retrospective way, we can enunciate important ideas concluding to a whole.

First, we believe that self-sizing in terms of resources available to local authorities, irrespective of the form it takes - human, material and financial - highlights the complexity and its fullness to the functioning of local public administration management.

In addition, following the analysis of availability of human, material and financial resources in the local community Suceava County, we conclude the fact that their existence makes possible the manifestation of autonomy. Without these resources and freedom of local authorities to manage them according to local needs, we cannot speak of a genuine local autonomy. In such a setting, local authorities would be unable to fulfill their responsibilities, a situation that is detrimental to the local community and affects the needs of its members.

Then, studying the perception of representatives of local administrative structures regarding the degree of autonomy and the level of public resources, we can deduce that in the administration of Suceava County, local government representatives have an average degree of autonomy and local public resources are available in an average level, these findings being confirmed by most respondents.

Finally, analyzes of association and correlation showed that the variable level of resources available in the local public administration correlates positively with the variable degree of local autonomy. Consequently, the hypothesis we started the research approach "*The level of resources available in the local public administration positively influences the degree of local autonomy*" was validated.

Overall, we conclude that the increasing of the level of resources available in the local public administration tends to increase the degree of local autonomy. A local public institution with a high level of resources (human, material, financial) available to management representatives strengthens their ability to achieve the goals without external support, a situation which shows a high degree of autonomy.

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