

CITIZENS' PARTICIPATION IN LOCAL ECONOMIC DEVELOPMENT AND ADMINISTRATION: AN EXPLORATORY STATISTICAL ANALYSIS

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Abstract

This paper evaluates the characteristics of local economic development from a citizen's perspective. Its principal goal is to help the authorities of the Greek local government to measure their performance in economic development actions, while encouraging citizens' participation. Data were collected with the assistance of a specific questionnaire and analysed with Multiple Correspondence Analysis, a multidimensional statistical methodology. With this methodology, the most intense characteristics have emerged, producing an immediate extraction and presentation of the SWOT analysis' elements.

JEL Classification: C18, O10, O40

Keywords: Local Economic Development, Citizens' Participation, Local authority, Multiple Correspondence Analysis, SWOT Analysis

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1. Introduction

One of the most important challenges for local authorities' organizations includes actions and planning appropriate for economic development. Local authorities are involved in economic development for many reasons, namely, their responsibilities, as democratically elected bodies; the social and economic well-being of the whole of their community; their relevant powers and resources; and their knowledge of local needs and opportunities (Law No 3852/10- *Callicrates* Programme). In order to promote economic development, they can enforce many measures and actions, depending on the regulations they must comply with.

Local authority citizens could be reached by administrators, to be provided with information concerning the evaluation of economic policy, on the basis of which government, considering other factors, can make decisions. As Michels and de Graaf (2010) argued, participatory policy-making leaves vertical government decision-making intact, while at the same time it leaves a wider margin for suggestions and ideas put forward by citizens. The "New Public Management" theory has set new challenges for service design and provision by the public administration, for citizens who have become active participants in this process (Kelly, 2005), and for the very efficiency of administration (Scharitzer and Korunka, 2000). Such efficiency can be ensured through focusing on performance evaluation (Meier and O'Toole Jr, 2007; Sanderson, 2001). To this effect, the introduction of models and techniques to measure citizens' satisfaction, the ultimate goal being to improve the quality of citizens' lives, could prove very important (Ho Ha and Lee, 2010). Therefore, regional public management administrators have begun to place more emphasis on evaluating and ensuring the quality of their services so as to satisfy their customers. However, many problems are encountered in this process and public management is less oriented towards citizens' involvement (Cassia and Magno, 2011), which means this evolution is still in progress (Dalehite, 2008).

This study examines the case of Greek local authorities (regions and municipalities). While many other southern Europe countries (like Italy, Spain, Portugal and France) have undertaken significant processes of political and administrative changes over the last decades (Ongaro, 2008), Greece is currently struggling with the implications of an economic crisis; current and former governments of the country have introduced a number of countermeasures to reverse the effects of this crisis. One such measure is the reform of local public administration (Law No 3852/10- *Callicrates* Programme), starting in 2011, which led to the merge of the Greek municipalities. Its basic scope was to generate productivity gains and fiscal savings, firstly by focusing mainly on restructuring and strengthening decentralised administration, and, secondly, through adjustment of the Greek administrative structure to European standards.

A similar research study that allows Greek citizens to express their opinion about the economic development of their municipality, and, therefore, that enables direct participation in economic development planning, has not been realised yet. The principle goal of the present study is to help local government authorities evaluate their performance in promoting economic development. In their effort to plan and promote development, one of the most important actions is to register and recognise citizens' expectations. Another important purpose in this direction is to evaluate local administrative services (Miller and Miller, 2000). In order to collect relevant information from services provided, surveys should be undertaken to discover customers' experiences (Dahlgaard and Dahlgaard-Park, 2002).

The research presented here is based on data obtained through a questionnaire survey. The questionnaire contained a section about demographics and another section about citizens' perception of the existence of actions promoting economic development. The main goal is to provide an important tool that administrators of local authorities could use to make decisions regarding actions for economic development enhancement. Certainly, the ultimate aim is to improve the quality of local administrative services, in order to keep citizens satisfied, since local authorities operate as agents of a specific locality.

For data analysis, a multidimensional statistical methodology, namely Correspondence Analysis, is mainly used, as most suitable for discovering correspondence (Benzecri, 1992) between citizens' answers and their characteristics.

2. Theoretical background

The term local government (or else: local authority, local public sector, local administration) in this paper refers to the smallest public administration municipal unit, such as a city or a town. It is a public administrative institution bestowed by legislature from the central government, with specific functional and fiscal responsibilities and rights (Luger, 2007). Another author (Fanariotis, 1999) defines local authority units, as socioeconomic entities, within which individuals should experience socioeconomic integration. The local public sector interacts with residents, civic society and the private sector in a localised manner; it is where residents and businesses receive services from the public sector and where residents interact with government officials. Therefore, the role of local government is crucial; it is supposed to be better than anyone at recognising what the population (citizens and entrepreneurs) needs, as it is the institution closest to local citizens. In addition, there are certain services that only local government can provide efficiently. Moreover, any local administration can play a role in national or regional development policies and foster local development through its own incentives. It is also evident that public management research has attracted attention in recent years, particularly concerning its role in the provision of public services (Brandsen and Pestoff, 2006).

As noted by Luger, (2007), a local government's role includes the following activities: planning, financing, delivering services, regulating, managing.

Another author (Kuklinksi, 1972) implies that local authorities should focus on the following fields:

- The economic development sector
- The social development sector
- Environmental conservation and residents' quality of life.

All these actions-activities of local authorities can be considered part of the services provided to their local community. More specifically, the term 'public services', as used here, refers to services created through the public policy process and regulated by (central or local) government, but which can be provided by a range of 'public service organisations' (PSOs) in the public, third, and private sectors. Local authorities are organisations engaged in delivering public services to local people and communities (Osborne and Strokosch, 2013).

Crisis

The recent economic crisis has regrettably affected all sectors of the economy (trade, industry and services) around the world. Many governments have responded to this recession through a range of strategies intended to reduce public spending and generate growth (Osborne *et al.*, 2014). In this crisis situation, local authorities can prove to be important political actors in building resilience; they can be viable interlocutors and also address the complexities of sustainable development and fight poverty (European Commission, 2016). Besides the fiscal crisis, other societal challenges, such as demographic changes and social inequity are challenging local governments, which have to cope by tackling such problems in new ways (Pyka and Hanusch 2013). These issues and many others (food security, resource depletion, public safety and violence, environmental issues, rapid urbanisation) are pressing authorities to respond immediately and efficiently.

Moreover, public organisations, and municipalities, in particular, remain under severe pressure to produce more value for public money, as they are the first to receive complaints from citizens. Therefore, actions must be taken to reverse this downside of the economy. The mainspring is enhancing growth and development.

(Local) Economic development

In this paper emphasis is placed on actions taken by local governments, which can support economic development at the local municipality level. When using the term 'local (or regional) economic development' Luger (2007) refers to efforts to enhance employment, income, wealth, and/or opportunity within a defined geographic area. These efforts can include efforts of intervention in the industrial, workforce, infrastructure, and other types of development sectors. Economic development

can provide better quality-of-life for citizens through a more vibrant social and cultural milieu, financial security, physical health and well-being, and a sustainable environment (Luger, 2007).

The efforts of local governments in the direction of economic growth are also referred to as Local economic development (LED). As implied by Young and Kaczmarek (2000), in addition to the provision of public services, local governments are also envisaged as playing an important role in LED through regulating a wide range of factors that underpin local economy growth and development. In addition, the same authors consider local government as an important agent in the complex processes of building institutional thickness to ensure the development of local economies and the enhancement of the inhabitants' quality of life.

3. Methodology

A. Sample-questionnaire

The NUTS classification (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU for the purposes of collection, development and harmonisation of European regional statistics and socio-economic analyses of regions. The NUTS 2 class refers to basic regions for the application of regional policies.

Eurostat has also set up a system of Local Administrative Units (LAUs) compatible with NUTS (<http://ec.europa.eu/eurostat/web/nuts/local-administrative-units>). The lower LAU level (LAU level 2, formerly NUTS level 5) consists of municipalities or equivalent units in the 28 EU Member States.

In our case (Greece), there are a total of thirteen regions (Nuts II). However, only nine regions of continental Greece have been selected, since insular Greece has special economic and social characteristics. Stratified sampling was utilised, in order to include citizens from the nine regions, according to their percentage in the total population. From these regions, the twenty-seven largest municipalities were selected, as they have appropriate funding in all economic sectors. Finally, a sample of 400 residents from 18 municipal districts of continental Greece was selected.

Questionnaire

The fifty-five questions of the questionnaire derived from relevant bibliography (Cox and Andrew 1988; McQuaid, 1993; Young and Kaczmarek, 2000; Piek *et al.*, 2008; Morgan, 2009) concerning topics of competitiveness, innovation and other aspects of entrepreneurship and economic development potentially pursued in a local level. Nevertheless, some of the questions are more service oriented. Before undertaking the interviews, some necessary clarifications were given to respondents on certain economic terms, such as productivity, innovation, digital marketing and so on.

• More specifically, fifty-five questions (E1-E55) could be grouped in the following categories (some examples are provided in brackets):

Economic factors (ease of securing credit, economic climate, and strength of investors' protection, effects of taxation, funding from an ESPA programme, support of new jobs, tourism expansion).

• Marketing factors (consumer satisfaction/monitoring of trends, export potential, local demand, intensity of local competition)

• Quality of products and processes (quality of local suppliers, certification of quality standards as ISO 9001, or 14001)

• Human capital-Training-Skills (education, extent/range of staff training, skills acquisition)

• Infrastructure Logistics-Transports: (quality of roads, connection with big urban centres)

Internet access and usage: (ICT Access, ICT Use)

• Information and knowledge dissemination-technology: (knowledge dissemination)

• Environment and Energy (ecologic sustainability, photovoltaic parks, natural resource conservation, protection of biodiversity)

Innovation in production and marketing: capacity for innovation, use of digital marketing, number of new products, patents.

There were also four demographic questions: age, level of education, profession, gender and region of the citizen responding.

This study covers the results from a research survey launched in the beginning of 2016 and completed in April of the same year throughout the Regional Units of Continental Greece. The questionnaire was distributed to a broad sample of adult citizens (over eighteen years old) in twenty-seven municipalities and included all professional and educational levels. The question addressed to the citizens was: "To what extent do you think the following characteristics exist in your local economy-municipality?", and the possible answers were, 1: "not at all", 2: "little", 3: "somewhat", 4: "much", 5: "a great deal". Consequently, higher scores along this scale indicate that this is a prevalent feature.

B. Questions researched

The main subject to be researched is: "Which are the most and least featured characteristics of economic development in the municipalities examined?"

C. M.C.A.

M.C.A. is an exploratory technique of the data analysis field, which does not assume any theoretical distribution of data and puts forward intensively differentiated

trends exhibited by the data, as reflected in graphs, as well (Moschidis *et al.*, 2009). The main research field concerns the data rather than the population, and, therefore, there are no research hypotheses to be answered. This methodology defines the main tendencies and presents them along axes. Therefore, the main elements needed for the S.W.O.T. analysis presentation can be easily extracted.

D. SWOT analysis

S.W.O.T. analysis is a methodology from the field of Management Science, which is utilised to evaluate Strengths, Weaknesses/Limitations, Opportunities and Threats a business project may entail. It involves the specification of the objective of the business venture or project and identifies internal and external factors that are favourable or unfavourable to the achievement of that objective. The final stage of the method is the presentation of a matrix, which includes all Strength, Weakness/Limitation, Opportunity and Threat factors of the current project.

In the case of local public administration economy, S.W.O.T. analysis is a means of reviewing and evaluating local economy performance and potential. When implementing this process of identifying the economic performance of a local unit, S.W.O.T. analysis can be a valuable tool for a Municipality’s Management to evaluate their performance and comprehend the economic climate.

4. Application, Results

Descriptive Statistics

Firstly, Table 1 containing demographics of the citizens follows.

Table 1. Demographics of respondents

Gender	%	Age	%	Educational level	%
Male	49.2	18-39	34.73	Not attended	8.23
Female	50.8	40-59	33.82	Primary	28.48
		>60	31.45	Secondary	45.09
				Tertiary	15.61
				Post-graduate	2.59

The following Table 2 displays the number of citizens per Region.

Table 2. Citizens per Region

	Regions	Number
1	Attica	160
2	Eastern Macedonia/Thrace	26
3	Central Macedonia	76
4	Western Macedonia	12
5	Epirus	14
6	Thessaly	32
7	Western Greece	32
8	Stereia Ellada	24
9	Peloponnese	24
	Total	400

Table 3 presents the percentages of citizens' answers to the fifty-five questions, per value. For example, the percentage of citizens who replied 'somewhat' was 32.66%.

Table 3. Percentages of total responses on the 5-grade scale

Response-grade	Percentage-%
1: not at all	18.11
2: little	27.09
3: somewhat	32.66
4: much	16.88
5: a great deal	5.26

Application of the Methodology Proposed

Multivariate analysis

The results after the implementation of MCA are the following:

Firstly, the table of eigenvalues is presented, where total inertia is 0.25167 (Table 4).

Table 4. Eigenvalues-Inertia for the table of evaluation

TOTAL INERTIA 0.25167						
AXIS	INERTIA	%EXPLAN	SUM	SCREE PLOT		
1	0.1826216	72.83	72.83	*****		
2	0.0487188	19.43	92.26	*****		
3	0.0114249	4.56	96.82	***		
4	0.0079732	3.18	100.00	**		

- The first factorial axis (first main tendency) interprets the issue researched to a percentage of 72.83.
- The second factorial axis (second main tendency) comes to an interpretation level of 19.43 percent.

The first factorial space (1st and 2nd axis) interprets data at a percentage of 92.26, which is a very good and adequate percentage for further analysis.

For the explanation of M.C.A. results, we will mainly use the most important interpretation indicator of a point (characteristic) towards axis, which is Contribution (CTR), as it expresses the contribution percentage in axis construction. The points with large CTR towards the axis construct many times highlight its physical importance. Therefore, we can consider those with CTR values above average as points of high contribution in axis construction (Greenacre, 2007). We note that the average CTR is $1000:55 = 18.18$, where 55 is the number of points-questions. Moreover, by using the indicator ‘coordinate’, we define the side of the axis on which the point (characteristic) is represented. Therefore, points with a positive coordinate value are situated on the right side of the axis, while points with a negative coordinate value lie on the left side. Another indicator presented here is Projections-Correlations (COR) and contains the quality for each point by dimension. This value may also be interpreted as the ‘correlation’ of the respective point with the respective dimension.

Taking into account the explanations above and based on the visualisation of axes (see Fig. 1, 2, 3), we conclude the following:

The first axis (Fig. 1) at a 72.83 percentage of interpretation, presents on one side characteristics that have proved to exist to a great extent in the local economy, since they are close to points e4, e5; namely, ‘Productivity’ (E29)-CTR:167, ‘Connection with big urban centres’ (E32) -CTR:36, ‘Unemployment’ (E33) -CTR:193, ‘Export Potential’ (E37) -CTR:79, ‘Tourist sector development prospects’ (E41) -CTR:33, ‘Secondary production sector ‘prospects’ (E42) -CTR:70, ‘Green development’ (E17) -CTR:23, ‘Connection between economic sectors’ (E26) -CTR:34. On the other side of the axis and close to points-grades e1 and e2, there are negligible characteristics, such as: ‘External Investments’ (E15) -CTR: 26, ‘Innovative companies’ (E47) -CTR: 31, ‘Digital marketing’ (E14) -CTR: 21 and ‘Economic climate’ (E18) -CTR: 22.

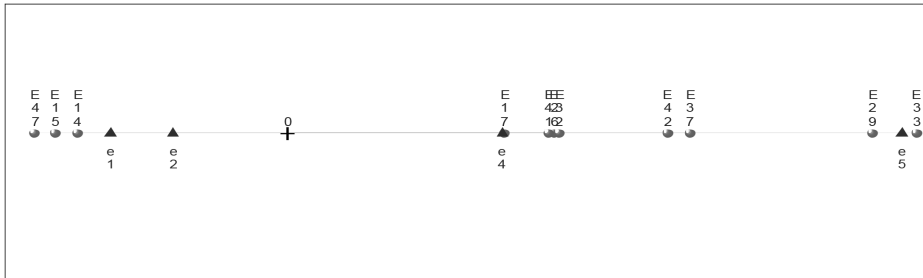


Figure 1. First factorial axis

The points differentiated in this axis are also presented in Table 5 below.

Table 5. 1st axis points

Variable	Coordinate Values	Contribution(CTR)
E14-Digital marketing	-467	21
E15*-External Investments	-517	26
E17-Green development	483	23
E18*-Economic climate	-449	22
E26-Connection between sectors	593	34
E29-Productivity	1302	167
E32-Connection with big urban centres	605	36
E33-Unemployment	1400	193
E37-Export Potential	896	79
E41-Tour.sector prospects	582	33
E42-Secondary production sector prospects	846	70
E47-Innovative companies	-562	31
e5-Grade 5	478	204
e4- Grade 4	1367	532

* These points have higher values for the Correlation indicator (COR) and, therefore, they are mainly examined in the 2nd axis.

The second axis (Fig. 2) opposes factors that were ranked with 1 or 5, such as: the ‘External Investments’ (E15) -CTR:69, ‘Photovoltaic parks’ (E18) -CTR:47, ‘Unemployment’ (E33) -CTR:134, ‘Knowledge dissemination’ (E38) -CTR:91, ‘Innovative companies’ (E47) -CTR:75, with factors that presented median values (3,4), such as ‘Concern for biodiversity’ (E1) -CTR:29, ‘Internet Access’ (E10) -CTR:30, ‘Quality certification’ (E55) -CTR:29 and ‘Sports infrastructure’ (E5)-CTR:167.

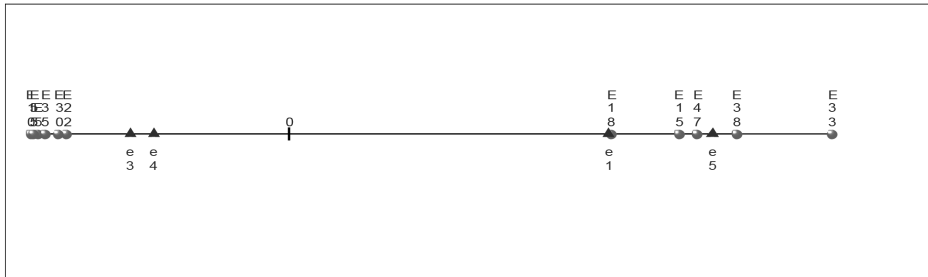


Figure 2. Second factorial axis

Hidden: E55

Visible: E1

The differentiated 2nd axis points are also presented in Table 6 below.

From the preceding analysis as well as Figure 3, we can conclude (Greenacre, 2007) that there are many factors that seem to strongly differentiate. Firstly, the positive ones (with a positive contribution to the economic environment and entrepreneurship) are: ‘Productivity’ (E29), ‘Connection with big urban centres’ (E32), ‘Tourist sector development prospects’ (E41) ‘Secondary production prospects’ (E42), ‘Green development’ (E17), ‘Connection with other sectors’ (E26). On the other hand, the points-factors of lower values (1 and 2) are also presented: ‘External Investments’ (E15), ‘Innovative companies (E47), ‘Digital marketing’ (E14), ‘Knowledge dissemination’ (E38), ‘Export Potential’ (E37), ‘Unemployment’ (E33), ‘Favourable Economic climate’ (E18). These factors-points that differentiated intensively are utilised to complete the SWOT analysis matrices, which can be seen in Tables 7 & 8 and concern the local economy of municipalities-regions. The analysis is presented in two different tables, as derived from the two main tendencies (1st and 2nd axes).

Table 6. 2nd axis points

Variable	Coordinate Values	Contribution(CTR)
E5-Sports infrastructure	-278	28
E10-Internet Access	-286	30
E15-External Investment	432	69
E18-Economic climate	357	47
E30-Tourist attraction	-255	24
E33-Unemployment	602	134
E35-Playgrounds, Parks	-270	26
E38-Knowledge dissemination	496	91
E47-Innovation	452	75
E55-Quality certification	-283	29
e5-Grade 5	469	234
e3- Grade 3	-136	205
e1-Grade 1	354	474

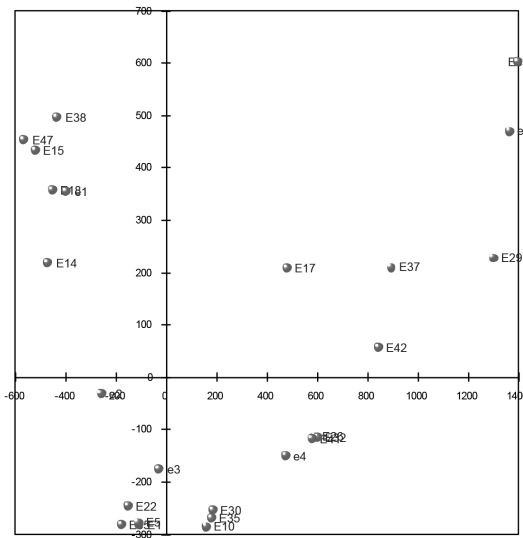


Figure 3. First factorial space

Table 7. SWOT analysis matrix - the main tendency of economic development actions

Strengths	Weaknesses	Opportunities	Threats
Green development	Digital marketing	Secondary production perspectives	
Productivity	Unemployment	Tourism sector development prospects	
		Connection with big urban centres	
		Export Potential	
		Connection with other sectors	

Table 8. SWOT analysis matrix – the second tendency for economic development actions

Strengths	Weaknesses	Opportunities	Threats
	Innovative companies		External Investments
	Knowledge dissemination		Economic climate

Consequently, it is obvious that from the citizens’ perspective, unemployment is a very serious threat in the regions examined and certainly throughout Greece. On the other hand, there is an opportunity for secondary production as well the tourist sector to further expand. Both previous factors are considered very important for the economic prosperity of any region. The economies of the municipalities-regions examined seem to experience some other serious problems, as well, such as lack of innovation, knowledge dissemination and digital marketing, all of which are entrepreneurship friendly. The general state of the economy is not satisfactory and there were few external investments in the local area. However, some other factors, such as green development, productivity and connection with big urban centres, seem to be sufficiently featured in the municipalities examined.

Examination of Demographic Characteristics

Besides the analysis presented above, the effect of all demographic variables on the fifty-five factors (questions) was also examined. Findings revealed that citizens’ opinions do not change with different demographic characteristics.

As an example, the existence of possible differentiations between the fifty-five questions and the level of education was also analysed, after the implementation of MCA, as presented in Table 9. The symbolisation ‘Sec’ indicates citizens who have not gone on to post-secondary education (secondary or primary school or no education), while ‘Univ’ indicates citizens with a Bachelor’s Degree or even post-graduate education. Certainly, ‘Sec1’ is the first grade of the category ‘Sec’, Sec2 is the second grade of the category and so on.

The results derived concluded that there is no difference between the opinions of citizens with different levels of education. This is also obvious with the visualisation of results, which are displayed in the first factorial space (Figure 4). Citizens with different levels of education 1:Sec, and 2:Univ, have given similar responses, which can be justified by the closeness of the points. For example, this can be seen from points 15 and 25 (in the circle), where 15 is the fifth grade of education level 1 and 25 is the fifth grade of education level 2.

Table 9. Table of citizens per grade and educational level

Ind	Sec1	Sec2	Sec3	Sec4	Sec5	Univ1	Univ2	Univ3	Univ4	Univ5
E1	10	25	44	10	2	10	26	34	19	0
E2	15	30	33	12	1	13	36	22	16	2
E3	9	26	40	13	3	11	24	36	15	3
E4	8	30	36	14	3	10	19	39	19	2
E5	15	23	38	14	1	4	35	33	15	2
E6	32	28	24	7	0	25	25	27	12	0
E7	23	21	40	6	1	21	29	29	10	0
E8	30	30	25	5	1	21	35	25	8	0
E9	21	24	37	8	1	15	22	37	11	4
E10	9	18	37	25	2	9	19	30	26	5
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E50	13	28	32	13	5	9	19	30	26	5
E51	14	27	43	7	0	13	25	34	17	0
E52	18	27	36	10	0	7	29	35	15	3
E53	17	31	32	11	0	12	22	39	14	2
E54	11	30	25	18	7	5	16	29	30	9
E55	15	31	34	11	0	7	25	42	15	0

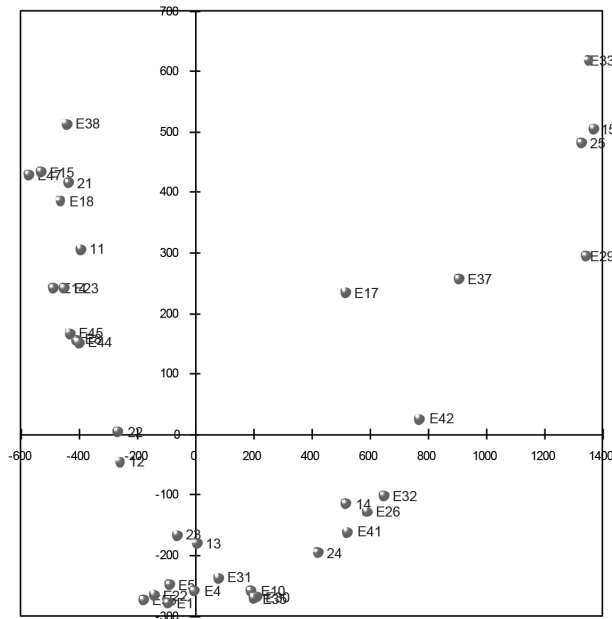


Figure 4. First factorial space of the matrix of comparative evaluation

The impact of regions

As mentioned previously, this research was conducted in Municipalities in nine different Greek regions. It was evident from the data extracted from Hellenic Statistical Authority (ELSTAT, 2015), that differences existed between these regions, concerning the size of Gross Domestic Product (GDP), unemployment percentages and other economic indices. The analysis conducted in this study, revealed that differences indeed existed between the variable of “Region” and most of the fifty-five questions and here an example is presented.

M.C.A. was applied to a specific question (E18-Appropriate economic climate) and the variable of “regions” and the results are presented in Table 10 and Figure 5.

Table 10. Eigenvalues-Inertia for region analysis

TOTAL INERTIA 0.117					
AXIS	INERTIA	%EXPLAN	SUM	SCREE PLOT	
1	0.064	54.8	54.8	*****	
2	0.028	24.4	79.1	*****	
3	0.017	14.5	93.6	*****	
4	0.007	6.4	100.00	*****	

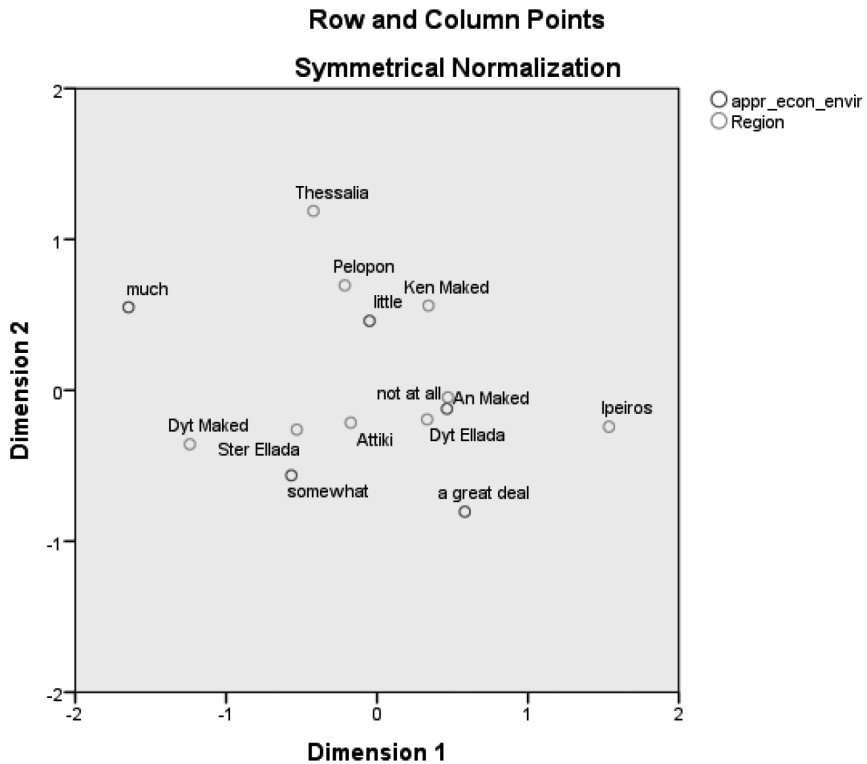


Figure 5. First factorial space of region analysis

From the results presented above it becomes obvious that the regions of Attica, Western Macedonia and Sterea Ellada have displayed a more favourable economic climate, as they approximate point 4-‘somewhat’. The regions of the Peloponnese, Central Macedonia and Thessaly formed a different group approximating point 2-‘little’. Lastly, the regions of Epirus, Eastern Macedonia and Western Greece seemed to be the worst in creating a favourable economic climate.

5. Conclusions

The M.C.A. statistical methodology presented and applied in this research paper can easily extract differentiations present in big data without making *a priori* hypotheses. Therefore, the ultimate choice of crucial factors was precise and direct. In this case, with no previous indications, the methodology highlighted the most important factors for local development as dominant tendencies from the citizens’ perspective. These factors were also utilised to perform a S.W.O.T. analysis for Greek economic development, enabling the creation and organisation of a business plan for the Greek economy.

Consequently, many assumptions may be formulated for the country of Greece and its current socio-economic status based on these analyses. Applying SWOT analysis to the data researchers can discover the strengths and weaknesses of local economic performance and the potential for further improvement. First of all, it is obvious that Greece still remains in a very difficult phase of its economic crisis, which started in 2008 and still persists. It is also certain that many more reforming actions should be taken so as to restore the country to a stable economic status. Nevertheless, Greece seems to have many opportunities for growth, since it is a productive country, it has export potential (many neighbouring countries), tourism and secondary sectors have wide prospects, the connection between sectors is expanding and the connection with big centres is adequate. On the other hand, the Greek economy seems to lag behind in innovation, digital marketing, knowledge dissemination, economic climate and investments. All these factors can provide many more opportunities for further economic development.

The present analysis also offered Greek citizens a chance to express their opinion on their local economy. This action can be regarded as a form of participation in the management of the local administration unit. Local governments should take their citizens' views seriously, since they are the first to be impacted by local authority management policies. However, it has become evident that Greek local governments did not apply similar methods when collecting information from their citizens and, to the best of the authors' knowledge, no study similar to this has been previously undertaken. The process described above may also be presented as a valuable tool with a scope to evaluating LA's performance when providing services to their citizens.

As many studies have shown, public officials significantly influence economic growth (Jones and Olken, 2005, Li and Zhou, 2005; Xu, Wang and Shu, 2007; Zhang and Gao, 2007; Yao and Zhang, 2014; Hodler and Raschky, 2014; Xi, Yao and Zhang, 2015) and local governments play an important role in LED through regulating the wide range of factors that underpin growth and development of local economies (Young & Kaczmarek, 2000). The action of involving stakeholders and (groups of) citizens at an early stage of the policy process, rather than consulting them immediately before the implementation phase, can create broader support for policy decisions and, therefore, make government policy more effective and legitimate (de Graaf, 2007). However, other arguments are also expressed. Engaging citizens in policy making allows governments to tap into wider sources of information, broader perspectives and potential solutions, and improves the quality of the decisions reached (Michels & De Graaf, 2010).

This research can also be expanded to all Municipalities of Greece, to cover those not included in the present paper and, of course, to insular Greece, with questions appropriately modified. This way, the conclusions could be more detailed

and cover the whole country. The process may also be presented as a valuable tool. Moreover, applying SWOT analysis to the data can offer researchers a chance to discover the strengths and weaknesses of local economic performance and the potential for further improvement. Therefore, this methodology can be utilised by other countries and, having formulated appropriate questions (suitable for any local economy), deductions can be made about the local economic environment and its potential.

The data collected in this study can be utilised to analyse the performance of the regions or municipalities in various economic aspects. It is certain that some regions displayed better performance in relation to some of the measures. These differences among findings could be further examined and processed by the Central Government (Ministry of the Interior), which supervises the operation of administrative units and provides funding on an annual basis.

6. References

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