INNOVATIVE MANAGEMENT OF LOCAL MUNICIPALITIES USING METHODOLOGY FOR EVALUATION AND IMPROVEMENT OF SUBJECTIVE WELL-BEING: SALASPILS (LATVIA) CASE

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Abstract

Nowadays the local municipalities are playing important role regarding ensuring the well-being for it's citizens because of the existence of different instruments. In addition, the citizens are also actively participating in decision making and execution processes in the municipalities in order to improve the well-being. The aim of the paper is to present possible methodology for evaluation and improvement of subjective well-being in the municipalities in context of innovative management. The main findings of the paper - the assessment of subjective well-being is becoming more and more important across the EU countries - there had been done several researches to evaluate the level of subjective well-being in the communities and municipalities. Those researches are closely related to innovative management practices and citizen engagement processes leading to more democratic society. Analysed methodology for evaluation and improvement of subjective well-being for the municipalities which is based on principles of social inclusion and co-responsibility approach provides rich seam of material for decision making processes.

Key words: subjective well-being, social inclusion, municipality, innovative management

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Introduction

The concept of well-being has always been important - every society is trying to find the best possible solution for ensuring the well-being of society. Traditionally, the nation's well-being is measured by macroeconomic indicators such as GDP or GNP. However, well-being is more than the accumulation of material wealth; it is also the satisfaction of everyday life which could be subjectively assessed by a person. That's why it is important to assess and also to improve the subjective well-being of society using appropriate methodology. Subjective

measures of well-being are measures of well-being based on questions such as: "Taking things all together, how would you evaluate things these days – would you say you're very happy, pretty happy, or not too happy these days?" In addition, researching the well-being of society it should be recalled that the society does not exist in isolation - it is a share of a city, region and nation. The idea of measuring community well-being is relatively new; it reflects the international activities as well as grassroots efforts by business leaders, activists, local politicians and others to develop approaches that can gather information to inform local decision-making. Nowadays the local government is becoming more and more important regarding ensuring the well-being of the society, implementing the co-responsibility approach in decision-making and public participation processes dealing with topical local issues, those problems are on research agenda also for academic researchers. Undertaking activities towards visioning a municipality's future well-being and choosing indicators that can assess both the current and future states of that well-being are excellent opportunities for a municipality to articulate its values and goals and to foster municipality involvement.

Taking into account all mentioned above the aim of the paper is to present the possible methodology for evaluation and improvement of subjective well-being in the municipalities in context of innovative management.

In order to achieve the aim, the tasks are formulated as follows:

1. to review theoretical background and research findings for best practices of local level management and researching subjective well-being;
2. to analyse the role of innovative management in context of ensuring the well-being of society;
3. to assess different methods of measuring subjective well-being;
4. to analyse the results of conducted empirical research using the *SPIRAL* methodology (developed by Samuel Thirion and his colleagues at European Council) for assessment and improvement of subjective well-being in the municipality.

Research methods used: scientific literature studies, several stages of focus group discussions, statistical data analysis, *SPIRAL* methodology, scenario method.

1 Theoretical Background

In this section would be provided a literature review on innovative management practices in municipalities and subjective well-being assessments made at local level.

1.1 Innovative management of local municipalities

Recently, the localism is mention in several researches as one of the main organising principle of sub-national governance. It was seen as a means of improving democratic accountability, providing a local mandate, and producing inter-agency approaches to localities' (Morphet, 2004). The localism represents a practical response to a significant practical challenge: how to manage a substantial variety of state service provision and interventions in a world that defies effective response from the recipient of the service or intervention in order for the state to action work. There is a trend that new localism policy becomes more pragmatic in emphasis but mediated by a double power–relationship between central and local government and between local government and its communities and stakeholders which has impacted upon the delivery of effective policy on the ground (Coaffee, 2004). It is this indecision and ineffective delivery that has encouraged the call for a more nuanced 'pragmatic localism' (Coaffee & Johnston, 2005) which allows local experimentation, innovation and creativity to be developed outside of tightly controlled central guidance and where 'flexibility demands a willingness to allow small-scale local experiments that deviate from a multi-agency norm' (Coeffe & Headlam, 2008).

At local level the designation community governance has included collaborative processes where the arena of public decision making involves the provision of public services as part of the community, or the representation of community interests to external agencies ensuring social participation (Edwards & Woods, 2004). Social participation may be understood to mean that stakeholders are (or have been) directly or indirectly involved or are, (or have been) impacted by development (Braun, 2010). In this context, Nzeadibe and Anyadike (2012) are of the view that the forms which the process of social participation can take may include provision of information that can assist people in problem-solving; consultation and seeking and encouraging people's feedback; direct engagement with the community and public and collaboration by building a steady partnership with the community and initiating a process of inclusively developing ideas, decisions and alternatives. Such an approach can empower the local communities to contribute towards policy and decision-making. Important role in decision-making process plays local NGOs. Through a community governance framework NGOs become stakeholders responsible for working in partnership with other community members to bring about particular types of benefit to both their clients and the wider local community. Governance is seen here as both a technique of engagement and a moral commitment to full citizenship which include empowerment, local

responsiveness and social inclusion (Romeril, 2008). In Tab. 1 is outlined different dimensions and types of practice for social inclusion.

Tab. 1: Social inclusion dimensions

Social Inclusion Type	Inclusive Principles	User Rights
Social	Communication and accountability	The right to leisure activities
Economic	Efficiency and equity	The right to paid work and a decent standard of living including wages and welfare benefits
Institutional	Responsiveness, effectiveness and anti-discrimination	Legal rights (voting, relationship)
Territorial	Community transport, communications,	The right to assemble in public spaces
Symbolic	Case management or group interventions that increase self-esteem, capacities and abilities, expand future prospects.	Respect for integrity of different identities and sub-cultures

Source: adapted from Wearing, 2011

The flow of gaining user rights in Tab. 1 follows a logic that requires formal social support interventions though service participation and inclusive practice. This framework suggests that the social elements of inclusive principles includes familial and other social supports such as those through family members and friends, the labour market, neighbourhood, local service organizations, and association such as sporting groups. Economic elements include resources such as wages, savings, assets, social security, and benefits from the market economy. Institutional elements include justice, health, criminal justice and justice education. Territorial elements include issues of demography (migration) and accessibility such as transport, communications, and access to services in deprived areas. Symbolic elements include identity issues, self-esteem, social visibility, basic abilities, interests and motivations, and future prospects.

1.2 Evaluation of subjective well-being at local level

Well-being indicators could be divided in two – the subjective and objective ones. Objective indicators can be found for some measurable components or factors of well-being as incomes, consumption, capital, investment, savings, stocks, import-export balance and other different economic aspects that are currently every countries and also individuals targets and main

points in making strategies for future actions (Blackman T., 2001). Subjective indicators are built from the point of view of the persons themselves. So there is more and more indicators that social and economic science should develop and estimate, there is still factors which are not explained, however the influence is obvious (Digby A., 1998).

In recent years subjective well-being has been gaining importance as an indicator of economic and social progress in the industrialized world. The increasing interest in subjective well-being is related with the increasing gap found between the information contained in aggregated data regarding objective determinants of well-being (like a country's GDP) and the laymen's own evaluation of it (Stiglitz et al., 2009).

It is only relatively recently that the literature on subjective well-being has begun to take serious account the role of place, local community and social cohesion (e.g. Brereton, Clinch, & Ferreira, 2008; Powdthavee, 2007; Ballas, 2013).

In 2000 the Council of Europe adopted a Social Cohesion Strategy; it was revised in 2004, 2007 and 2010. It defines social cohesion as society's capacity to ensure the subjective well-being of all its members, minimizing disparities and avoiding polarization, to manage differences and divisions, and to acquire the means of ensuring the social welfare of all its members. In this context was developed SPIRAL methodology for measurement subjective well-being of society which is approbated in more than 20 countries. The SPIRAL (*Societal Progress Indicators for the Responsibility of All*) methodology is a way to define and measure well-being from the subjective point of view of the persons themselves. It is a common basis of fundamental values, for society's progress towards improved capacity to ensure the well-being of all, through the development of co-responsibility. Also this methodology to secure such progress jointly developed with inhabitants and other social stakeholders at local level, tying in with the regional, national, European and global levels. Involved in developing this methodology was a community of experimenters (governments and other local and regional players, companies, hospitals, schools, associations, NGOs, researchers, etc.), which expanded little by little in order to produce the methodology and make it available to as many people as possible (Council of Europe, 2008). In next sections would be discussed the results of approbation of this methodology in Salaspils Municipality (Latvia).
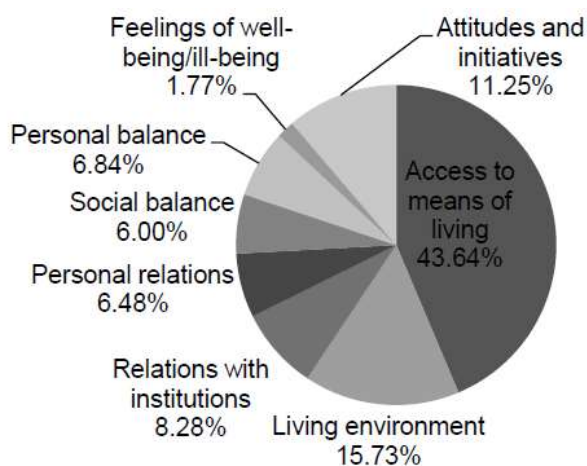
2   Research and Discussion

The *SPIRAL* methodology is based on building indicators of well-being with the help of the citizens themselves and preparing and launching a Co-responsibility Action Plan from these

indicators, drawing on the coordination of the Local Support Group. The main participant in well-being evaluation is population in community that is represented by Local Support group which is formed by leaders of different NGOs, interest and religious groups. Method is very well in some point of views:

- respondents not only answer to questions that is made before but they can nominate by themselves new indicators that are important in well-being in municipality;

- respondents that represent the population of municipality participate all the time until Local Action plan is made on the base of well-being indicators;

- Population is fully representative because of homogenous groups who participate in making well-being indicators (The URBACT II Local Support Group Toolkit..., 2010).

By given answers to open-ending questions "What is well-being for you", "What is ill-being for you?", "What do you do or could do for the well-being?" are gaining the indicators and their evaluations which are main outputs of methodology. The indicators divided in 9 main groups: 1. Access essential resources; 2. Living Environment; 3. Relations with and between organizations; 4. Personal relations; 5. Social balances; 6. Personal balance; 7. Feelings of well-being/ ill-being; 8. Attitudes and initiatives; 9. Relationships within society (The URBACT II Local Support Group Toolkit..., 2010). The software designed by Council of Europe updates the results of homogenous group findings, the experts put in the citizens' written criteria data, allocating them in the right indicator group and giving estimates. The results of conducted research are shown in Fig.1.

Fig. 1: Indicators Synthesis of all homogeneous groups in Salaspils Municipality in 2011, %

Source: Results of Salaspils 25 homogenous groups – results gained from 3 meetings September, 2010 until May 2011(from 2867 answers)

The results showed that for citizens also are very important subjetive well-being – factors like attitudes and initiatives, personal balance and personal relationship. Not only objective factors – like income, certain goods - are determinant as were assumed before reseach in the municipality.

The next step is preparation of Local Action Plan, where would be indicated certain activities which should be done in order to improve certain indicators of well-being. The most important that citizens should be co-responsible for implementation of those activities, namely, citizens (NGOs, organizations) actively participate in performing certain activities – they organize some events, participants in decision-making processes, provide own resources, attract external resources, etc. Municipality also provides own resources - administrative and financial. As for short-term and medium-term planning documents, there should be indicated the responsible persons, budget and time limit, as well as output indicators. All activities should be implemented in close cooperation with citizens of municipality. By the end of the year all activities should be reviewed – which of them were implemented and if there are some delays. It is propose, that Local Action plans should be prepared for medium-term, specifying activities for current year and updating plan afterwards. After 3-4 years the research on well-being should be repeated to assess if certain indicators of well-being has improved.

Analysing results from the research conducted in Salaspils Municipality, it was concluded that municipality has different roles regarding ensuring the well-being for citizens. The roles of municipality and their connection with well-being indicators are summarized in Tab.2.

Tab. 2: Conceptual framework to evaluate the role of municipality in contexts of well-being indicators

Local Government Role	Criteria	Result Indicator
Assigning overall responsibility	Political commitment	High support and commitment from the Mayor or the executive political board
	Sensitivity to change	Indicators not vulnerable to political shifts (strong institutionalisation)

	Sectoral coordination	Strong horizontal coordination and integration of activities and policies within local government departments (promoted by the indicators)
Government coordination	Regional coordination	Strong vertical integration with other government levels in indicator-related projects or sustainable development policies
	Training	Different training programmes regarding indicators and sustainable development issues
Stakeholders' involvement	Multi stakeholder	Broad involvement of different stakeholders outside the local government
	Participation mechanisms	Large number of mechanisms/techniques to promote the participation of different stakeholders
	Feeling of ownership	Strong feeling of ownership by the stakeholders
Link with local planning documents	Performance	Strong integration of the indicators in the targets of local plans/strategies
	Funding	Solid local budgets and stable funding schemes
Communication with society	Communication	Broad and different communication channels

Source: Authors' created table

As it is illustrated in Tab. 2, the main roles of local government in context of ensuring well-being includes in assigning overall responsibility, ensuring government coordination, involving different stakeholders, linking with planning documents, as well as with national and international networks and communicating with society. As in different legal acts are defined the functions by specific areas (like ensuring education, communal services, etc.) those roles should be assumed as general principles in everyday work providing well-being for inhabitants.

Conclusion

The conducted literature review showed that recently the assessment of subjective well-being at local level is becoming more and more important across the EU countries – there is ongoing discussion about the methodology how to evaluate and compare the subjective well-being of citizens. Those researches are closely related to innovative management practices in the municipalities – the assessment of subjective well-being is often a part of overall promotion of a dialogue between local authority and society, promoting citizen engagement processes which leads to more democratic society. Approbated and analysed methodology for evaluation and improvement of subjective well-being for municipalities which is based on

principles of social inclusion and co-responsibility approach provides rich seam of material for decision making processes, as well as ensures deep society involvement in management of resources of municipality which leads to development of overall management of local authorities.

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