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Institutional Capacity of Local Government

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ABSTRACT

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The article focuses on the institutional capacity of a local government as a key prerequisite for the effective implementation of powers during the decentralization and reform of public administration in Ukraine. The purpose of this study is to theoretically substantiate the institutional capacity of local government, clarify its essence through the lens of the institutional approach, and systematize the main components that determine the local government's ability to ensure an appropriate level of management and provide public services. The relevance of the study is due to the lack of a unified approach to the definition and assessment of institutional capacity, as well as the need to integrate theoretical developments and the practical needs of territorial communities. As a result of the analysis of scientific sources, regulatory legal acts of Ukraine and documents of international organizations, the feasibility of considering local government as a full-fledged institution of public power is substantiated. The content of the concept of "institutional capacity" is clarified as the ability of an institution to stably and effectively perform its assigned functions on the basis of proper legal regulation, effective organizational structure, professional staffing, financial self-sufficiency and developed communication mechanisms. Five key components of the institutional capacity of local government bodies are identified: personnel, organizational and managerial, financial, regulatory and legal and communication and informational. Their content, functional significance and interrelationship are revealed, which allows for a comprehensive assessment of the level of capacity of local government bodies in modern conditions. It is concluded that the institutional capacity of local government bodies is a multidimensional and integrated characteristic, on which the effectiveness of local government, the quality of public services and the level of trust of citizens directly depend. Its formation and strengthening are possible only under the condition of systematic development of all components, coordinated with the constitutional principles of local self-government, national legislation and standards of the European Charter of Local Self-Government. It is substantiated that a comprehensive approach to assessing institutional capacity creates a basis for improving management practices, implementing the principle of subsidiarity and ensuring sustainable development of territorial communities.



KEYWORDS

institutional capacity, local government, public administration, local self-government, territorial community, organizational development, human resources, resource management, decentralization, marital law, state, decision.



Інституційна спроможність органу місцевого самоврядування

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СТАТТЯ

АНОТАЦІЯ

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Стаття присвячена дослідженню інституційної спроможності органу місцевого самоврядування як ключової передумови ефективної реалізації повноважень у процесі децентралізації та реформування публічного управління в Україні. Метою дослідження є теоретичне обґрунтування змісту інституційної спроможності органів місцевого самоврядування, уточнення її сутності крізь призму інституційного підходу та систематизація основних складових, що визначають здатність органів місцевого самоврядування забезпечувати належний рівень управління та надання публічних послуг. Актуальність дослідження зумовлена відсутністю уніфікованого підходу до визначення та оцінки інституційної спроможності, а також необхідністю інтеграції теоретичних напрацювань і практичних потреб територіальних громад. У результаті проведеного аналізу наукових джерел, нормативно-правових актів України та документів міжнародних організацій обґрунтовано доцільність розгляду органів місцевого самоврядування як повноцінних інституцій публічної влади. Уточнено зміст поняття «інституційна спроможність» як здатності інституції стабільно та результативно виконувати покладені функції на основі належного правового регулювання, ефективної організаційної структури, професійного кадрового забезпечення, фінансової самодостатності та розвинених комунікаційних механізмів. Визначено п'ять ключових складових інституційної спроможності органів місцевого самоврядування: кадрову, організаційно-управлінську, фінансову, нормативно-правову та комунікаційно-інформаційну. Розкрито їх зміст, функціональне значення та взаємозв'язок, що дозволяє комплексно оцінювати рівень спроможності органів місцевого самоврядування в сучасних умовах. Зроблено висновок, що інституційна спроможність органів місцевого самоврядування є багатовимірною та інтегрованою характеристикою, від якої безпосередньо залежить ефективність місцевого управління, якість публічних послуг і рівень довіри громадян. Її формування та зміцнення можливі лише за умови системного розвитку всіх складових, узгоджених із конституційними засадами місцевого самоврядування, національним законодавством і стандартами Європейської хартії місцевого самоврядування. Обґрунтовано, що комплексний підхід до оцінки інституційної спроможності створює підґрунтя для вдосконалення управлінських практик, реалізації принципу субсидіарності та забезпечення сталого розвитку територіальних громад.



КЛЮЧОВІ СЛОВА

інституційна спроможність, орган місцевого самоврядування, публічне управління, місцеве самоврядування, територіальна громада, організаційний розвиток, кадрове забезпечення, управління ресурсами, децентралізація, воєнний стан, держава, рішення.

1. Introduction

The modern system of public administration in Ukraine is at the stage of active transformation, due to the processes of decentralization and the expansion of the powers of local self-government bodies. These changes are accompanied by an increase in citizens' expectations regarding the accessibility, quality and efficiency of public services.

In the context of public administration reform, the institutional capacity of local self-government bodies is becoming a key success factor – the ability of organizations to effectively exercise powers, organize management processes, mobilize resources, provide professional staffing and comply with legal norms.

Despite the significant development of theoretical approaches, there is no unified definition of institutional capacity and a clear system of its components for the analysis of local self-government bodies in the scientific literature. A systematic study of these aspects is necessary to increase the effectiveness of local self-government and ensure the sustainable development of territorial communities.

2. Literature Review

The issue of the institutional capacity of local self-government bodies has been studied by many scientists. Thus, V. Melnychenko [5] considers the institution of public power as a really functioning, relatively independent organizational and functional structure within the integral system of democratic governance and studies institutional development at the regional level as a systemic improvement of the organizational structures of public power, forms and methods of their activity, as well as mechanisms of interaction. The author emphasizes that institutional development is the basis for the formation and strengthening of the institutional capacity of public authorities.

O. Ros [9] analyzes the regulatory and legal support of the institutional capacity of representative bodies of local self-government, noting that this term corresponds to the English “institutional capacity” and refers to the ability of institutions to act effectively, and not only individual institutions. The author emphasizes the importance of distinguishing between the concepts of “institution” and “institutions” and provides recommendations for improving the legal and organizational conditions for the activities of local self-government bodies.

The documents of the European Commission [3] note that strengthening institutional capacity is primarily aimed at systems and structures, but strengthening the capacity of individuals who are part of institutions is also of great importance for improving the effectiveness of activities. This provision emphasizes the need for a comprehensive approach to the development of institutional capacity at the level of local self-government bodies.

K. Petrenko [7] examines the peculiarities of the institutional capacity of public associations in Ukraine, in particular, the mechanisms of organizational management and interaction with public authorities. In his monograph, V. Bordeniuk [1] considers representative bodies of local self-government as institutions that operate within the framework of legal norms, perform their assigned functions through power and apply inherent organizational and legal forms and methods of activity.

R. Yashchuk [10] analyzes the institutional capacity of territorial communities in difficult conditions, in particular under external threats, and identifies the key elements that ensure the effective functioning of local self-government bodies. The personnel aspect of institutional capacity is covered in the publications of the National University of Kyiv. T. Shevchenko, which emphasizes the need to train highly qualified personnel for local self-government bodies and the possibility of financing their training [2]. O. Omelchuk [6] examines the institutional capacity of amalgamated territorial communities in Ukraine, emphasizing the role of structural organization and interaction at the regional level.

The financial component of institutional capacity is studied by Ya. Kazyuk and V. Ventsel [4], who analyze the financial capacity of territorial communities as a key element in ensuring the implementation of the powers of local self-government bodies.

O. Pronina and O. Semenko [8] analyze the current trends in the development of information and communication technologies in local self-government during military aggression, noting their impact on accelerating the decision-making process and increasing the effectiveness of managerial decisions.

Thus, the literature review shows that scientists pay considerable attention to the comprehensive study of the institutional capacity of local self-government bodies. At the same time, the issue of developing a unified system for assessing and integrating these components remains open, which is an urgent task for further scientific research.

3. Problem Statement

The processes of decentralization and empowerment of local self-government bodies are accompanied by an increase in citizens' expectations regarding the quality of public services. The effectiveness of the implementation of state policy at the local level depends on the ability of local self-government bodies to organize activities, manage resources, provide professional staff and comply with legal norms.

Despite the development of the theory, there is still no single unified approach to assessing institutional capacity that would integrate personnel, organizational, financial, regulatory, and communication-information factors.

The relevance of the study is due to the need for a systematic study of these components, determining the relationships between them and forming practical recommendations for improving the efficiency of local self-government and implementing the principle of subsidiarity.

4. Methods and Materials

In the study of the institutional capacity of local self-government bodies, a combination of general scientific and specialized methods was used. Analysis and synthesis were used to study scientific literature, normative legal acts of Ukraine, international treaties, as well as reports and recommendations of international organizations. The analysis made it possible to identify the main approaches to assessing institutional capacity, while the synthesis provided a generalization of the data obtained and the formation of a comprehensive view of the structure and components of the institutional capacity of local self-government bodies. The comparative method was used to compare the regulatory, organizational and financial aspects of the activities of local self-government bodies in Ukraine. This made it possible to identify differences in the level of institutional capacity and outline the prerequisites for increasing its effectiveness. The method of generalization was used to integrate theoretical provisions and practical data on the personnel, organizational and managerial, financial, regulatory and legal and communication and information capacity of local self-government bodies.

5. Results and Discussion

Within the framework of the institutional approach to the analysis of social phenomena, it is advisable to take into account the position of V. Melnychenko, who interprets the institution of public power as a really functioning, relatively independent organizational and functional structure within the framework of an integral system of democratic governance. Therefore, institutional development at the regional level appears as a systematic improvement of the organizational structures of public authorities, updating the forms and methods of their activity, as well as mechanisms and means of interaction at the regional level [5, p. 7]. This theoretical understanding of institutional development creates the basis for clarifying the content of the category of "institutional capacity", which is actively used both in scientific research and in documents of international organizations.

According to O. Ros, "institutional capacity" corresponds to the English term "institutional capacity", that is, it refers not to the institution, but to institutions. This is confirmed by the documents of international organizations, from which this term came into domestic scientific and practical circulation [9, p. 98]. Thus, in the documents of the European Commission, it is noted that strengthening institutional capacity is aimed primarily at institutions (systems and structures), but strengthening the capacity of individuals (staff of institutions) is also important for increasing the efficiency and effectiveness of activities [3]. This approach necessitates the distinction between the concepts of "institution" and "institutions", which is of fundamental importance for the analysis of public authorities as objects of institutional capacity.

The term "institutional capacity" is also used as a synonym for quality management, organization and efficiency [7, p. 377]. In a general sense, institutional capacity is understood as the ability of an

institution to perform its functions by ensuring an appropriate level of professional training of personnel, processes, organization and resources [9].

The institutional approach allows us to substantiate the possibility of considering local self-government bodies as full-fledged institutions endowed with a set of institutional-forming features. V. Bordeniuk includes: a body (institution) is a constituent, but at the same time organizationally separate and independent part of the public mechanism; the body acts on behalf of the state and on behalf of citizens; performs relevant functions through powers; applies inherent organizational and legal forms and methods of activity [1, p. 299]. Thus, representative bodies of local self-government can be considered as institutions, and, accordingly, their institutional capacity can be assessed [9, p. 99].

An important aspect of institutional capacity is its regulatory and legal support, i.e., the establishment of relevant norms in legal forms. The legislator determines the level of normative legal acts that establish the powers of representative bodies of local self-government [9, p. 99]. It is the clarity, consistency and stability of legal regulation that create preconditions for the effective implementation of functions, ensure the certainty of the legal status and contribute to the proper implementation of delegated and own powers. Fragmentation or conflict of regulatory regulation negatively affects institutional capacity, complicating the organization of activities and managerial decision-making at the local level.

The Constitution of Ukraine enshrines the principles of local self-government, defines its subjects, the system and guarantees of implementation, forming the basic normative framework for the activities of representative bodies. Further specification of constitutional provisions is carried out in the laws of Ukraine, primarily in the Law of Ukraine "On Local Self-Government in Ukraine", which defines the competence, procedure for formation, organization of activities and responsibilities of local self-government bodies. At the same time, international acts, in particular the provisions of the European Charter of Local Self-Government, which enshrine the principles of organizational, financial and administrative autonomy, are important for the formation of institutional capacity. The implementation of these provisions in national legislation strengthens the legal guarantees of the activities of bodies and increases their ability to effectively exercise their own and delegated powers.

Given that institutional capacity is formed under the influence of regulatory, organizational, personnel and financial factors, it is advisable to consider its specific components. A systematic study of these elements makes it possible to assess the ability of local self-government bodies to perform their assigned functions and determine the directions for increasing their efficiency. In the scientific literature, the following key components are distinguished: personnel, organizational and managerial, financial, regulatory and legal and communication and information capacity [10], each of which is interrelated and affects the overall level of functioning of the body.

Staffing capacity. Local self-government bodies independently form their own staffing and are interested in personnel development. The legislation provides for the possibility of financing the training of employees. Personnel capacity reflects the professional training, competence and motivation of personnel, which determines the ability of the body to make informed management decisions, implement programs and effectively interact with the community and other institutions. The insufficient level of human resources directly affects the quality of services and the speed of response to public needs [2].

Organizational and managerial capacity. This component reflects the structural organization, distribution of powers, internal processes and management mechanisms. It includes formalizing decision-making procedures, coordination between departments, and the ability to ensure effective interaction with external partners. The capacity of local self-government bodies also provides for high-quality services to residents. To achieve institutional capacity, local self-government bodies must improve the methods of carrying out their activities and effectively manage communal property resources, including financial resources of the local budget, ensuring the management of local affairs [6, p. 94]. A high level of organizational and managerial capacity contributes to the optimal use of resources, increasing the effectiveness and quality of public services.

Financial capacity characterizes the ability of the body to ensure stable financing of its activities, effectively manage budgetary and extra-budgetary resources and plan long-term investments. It is critically important for the implementation of both own and delegated powers and the introduction of innovative approaches in the provision of public services [4, p. 358].

Regulatory capacity determines the ability of a body to act within the limits of the powers enshrined in law, to comply with legal norms and standards, including the Constitution, laws of Ukraine,

by-laws and international standards, such as the European Charter of Local Self-Government. Providing legal guarantees for the activities of the body increases its legitimacy and efficiency.

Communication and information capacity covers the ability of the body to establish interaction with citizens, media and stakeholders, to use information technologies to increase transparency, efficiency and quality of services. Developed communication and information capacity increases the trust of citizens and provides feedback for improving managerial decisions [8, p. 242].

Thus, the institutional capacity of local self-government bodies is considered as a complex characteristic that ensures the effective functioning of institutions at the local level. It is formed under the influence of regulatory, legal, organizational, personnel, financial, communication and information factors, each of which is integral to achieving high performance of activities. Clear legal regulation, structured organizational and management system, professional staffing, financial stability and effective interaction with the public create prerequisites for the proper exercise of powers, improving the quality of public services and strengthening the legitimacy of representative bodies. A systematic study of these components allows assessing the level of institutional capacity and outlining ways to increase the efficiency of local self-government in the context of public administration reform and the introduction of the principle of subsidiarity.

6. Conclusions

The study confirms that the institutional capacity of local self-government bodies is a complex phenomenon that determines the ability of institutions to effectively implement their functions and ensure the appropriate level of public services at the local level. It is formed under the influence of five key components: personnel, organizational and managerial, financial, regulatory and legal and communication and information capacity, which are interrelated and complementary to each other. Each of these components is of practical importance: personnel ensure professionalism and motivation of personnel; organizational and managerial – efficiency of internal processes and interaction; financial – stability of resource provision; regulatory – compliance with the legality and legitimacy of activities; communication and information – transparency and feedback from citizens.

The institutional capacity of local self-government bodies is closely related to constitutional principles and legislative regulation, in particular, the provisions of the Law of Ukraine “On Local Self-Government in Ukraine” and the principles of the European Charter of Local Self-Government. Its strengthening is a key factor in improving the efficiency of governance at the local level, implementing the principle of subsidiarity and ensuring the sustainable development of territorial communities.

Thus, a systematic study and assessment of institutional capacity allows us to identify the strengths and weaknesses of local self-government bodies, outline areas for improving management practices and improving the quality of public services, which is an urgent task in the context of public administration reform in Ukraine.

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