

Economic Development of Municipalities Depending on Project Management and Territorial Planning

Ortová Martina, Řebořová Pavla

Abstract

The Faculty of Economics of the Technical University of Liberec has gained access to the research project WD-30-07-1 “Innovation Approach to Analysis of Disparities on Regional Level” (acronym: InoReDis). The project is been financed by the Ministry for Regional Development in the years 2007 – 2011. The Department of Business Administration (FE, TUL) within the InoReDis project conducted a full-area survey, using a questionnaire (the range: 6,249 municipalities, i.e. all municipalities in the Czech Republic). It was aimed at soliciting for the subjective views of mayors/mayoreess on the economic and social situation in their municipalities. A total of 1,357 responses were received. Regarding the extent of the survey these two hypotheses were chosen: H0 (a) Improvement of economic situation in a municipality is not dependent on the number of realized projects, and H0 (b) Improvement of economic situation in a municipality is not dependent on the existence of an updated territorial plan. In the first part of the paper, the methodologies of the full-area questionnaire survey were briefly presented with the reasons of realization and short results. The subsequent parts verify the relationship between the variables in the hypotheses. Hence, they focus on the relations among economic development of the municipality, project management and the existence of territorial plan.

Key words: region, hypothesis, project management, territorial planning, economic and social development, municipality, dependence analysis

1 INTRODUCTION

There are major differences among regions in the Czech Republic because of the unequal development, above all in the social-economic sphere. These differences may increase in the near future [3].

Faculty of Economics (Technical University of Liberec) has acquired the research and development project WD-30-07-1 „Innovation Approach to Analysis of Disparities on Regional Level“ (project acronym: InoReDis), realized under the state subsidy of the Czech Republic within the Ministry for Regional Development (2007 – 2011). The main goal of this project is to formulate some arrangements leading to the decreasing of interregional disparities in the field of economic development of the Czech Republic [2]. The benefit of this project is an elaboration of the new methodology for identification of the regions, requiring focused state subsidy. The second benefit is a detection of the significant factors, which are the cause of differences of regional economic levels; measuring of their importance and proposals of arrangements supporting the decrease of the interregional disparities.

The following text results from the above mentioned research project InoReDis and it is aimed at these questions: the ability to realize projects or the change in territorial planning may

contribute to the improvement of economic situation in a municipality. In other words, we will search the answers to these hypotheses: $H_0(a)$ The improvement of economic situation in a municipality is not dependent on the number of realized projects, and $H_0(b)$ The improvement of economic situation in a municipality is not dependent on the existence of updated territorial plan.

2 QUESTIONNAIRE SURVEY

The above mentioned hypotheses will be verified via data obtained from the questionnaire survey. It was realized in 6,249 Czech municipalities, in June 2008 [4]. It was the full-area questionnaire survey, which has affected all of the municipalities of the Czech Republic.

The questionnaire has been sent as a letter addressed directly to the mayor/mayorress of the commune. The questionnaire contained eight pages of text, size A5. The envelope contained a second envelope inside with the pre-printed address for postback. The postage stamp has not been added, the costs connected with the postback were financed by the municipality. The investigation was carried out in June 2008. The first wave of questionnaires should be provided for the return of up to 20 June 2008, the second wave of up to 30 June 2008; the respondents had three weeks to filling. Respondents were allowed to fill in the questionnaire also electronically on the web site of the Economic Faculty of the Technical University of Liberec. However, this option has been used by only two percent of respondents.

The total return of questionnaires was 1,357 pieces, i. e. cca 21.7 %. Persons who fulfilled the questionnaires were mayors/mayorress from 72 %; the second group (i. e. 28 %) was created by other representatives of municipalities, in this group were mainly representatives of municipalities, in exceptional cases, the secretary of the mayor/mayorress [5].

All delivered paper questionnaires were transferred into the electronic form – Microsoft Office Excel. This individual data transformation was transliterated in advance standardised form in Microsoft Office Excel. With the physical transcription a group of Ph.D. students helped.

For processing of these data we used program Statgraphics. The complex results and official form of questionnaire are summarized in the monograph [18]. The detailed methodology of the questionnaire survey is listed also in the source [4].

The questionnaire contained eight thematic focused groups of questions, one descriptive part and one additional part. The special parts of the questionnaire were aimed at the following spheres:

- Sphere of basic information about the municipality – descriptive part.
- Sphere of special thematic groups:
 - A) Unemployment and job opportunities.
 - B) Attractivity of domicile.
 - C) Residential density of municipality.
 - D) Age structure of municipality population.
 - E) Civic amenities.
 - F) Structure of the municipality economy (rate of agriculture, industry and services).

- G) Sustainable development (environment).
- H) Business inactivity.
- I) Additional part [6].

These specific sections of the questionnaire have been drawn up quite deliberately - in view of the previous results of the project InoReDis (WD-30-07-1). The primary objective of the questionnaire survey was to verify the new methodology for the assessment of the economic potential, which has been developed by the InoReDis research project team. You can see this new methodology more in the publication [8]. The main objective of our questionnaire was to validate the established statistical data in the new InoReDis methodology with the subjective views/opinions of mayors/mayoress. For example, in the new InoReDis methodology the unemployment has been identified as problematic, and this view has been the same as with the view of the mayor/mayoress of the commune, which represented the ideal situation. Verification of this new methodology, however, is not the subject of this article, the results of this verification are available at [18].

This article will focus only on the selected passages from the additional section of the questionnaire, we have chosen for this article. Specifically: the evaluation of the four basic questions from the additional section of the questionnaire, which were related to the economic development in the municipality.

3 FACTUAL RESULTS OF THE QUESTIONNAIRE SURVEY

In this part we will focus on the relationship among experience with the project management (se Chapter 3.1), territorial plan (3.2) and economic development of the municipality. First, the theoretical explanation of certain terms that we will use in this article.

Theories of economic development - the evolution of poor countries dependent on agriculture or resource extraction into prosperous countries with diversified economies - are of critical importance to Third World nations. Economic development projects have typically involved large capital investments in infrastructure (roads, irrigation networks, etc.), industry, education, and financial institutions [9]. Economic development is fundamentally about enhancing the factors of productive capacity - land, labor, capital, and technology - of a national, state or local economy [10]. Some authors understand the economic growth as an increasing of the total product in the country during a specific period and define the economic development as a process of long-term increasing of the economic country's wealth. Whereas it is obvious, that you can't imagine the economic development without the economic growth [11].

Therefore we understand the economic development of municipalities as the process of long-term development of the commune, which contributes to the development of infrastructure, entrepreneurship and education in the municipality. In this article we will focus mainly on the contribution of communities to this economic development, by means of project management implementation and territorial planning of municipalities.

The current literature provides many definitions of the term "project" in the context of project management. From this point of view we can simply define a "project" as any unique se-
quen-

ce of activities and tasks, which has given specific objective to be met, the realisation of the defined start and end dates of implementation and established the framework for the utilisation of resources needed for its implementation [12]. Project management institute (PMI) defines a “project” as a temporary effort to create an unique product, service, or a specific outcome [13]. Or a “project” is also a purposeful proposal on the implementation of a certain innovations in the start and end times [14]. “Project management” can be simply defined as a procedure from one state to another [15]. Or also as a summary of activities consisting of planning, organisation, management and control of the company’s resources with a relatively short-term goal, which was established for the implementation of the specific objectives and goals [12].

In our article we will understand the “project” as any temporarily defined sequence of activities and tasks, applied directly by municipalities, whose objective is to achieve a particular result. Within the realization of this project the methods of project management are being used. The aim of this project is the economic development of the municipality, which was characterised above in the text. The source of funding of the project activities will not be primary for us. The primary objective is to determine whether the municipalities having any experience with the project management can see their economic development more positive. More in the next part (see Chapter 3.1). In the second part of this article (see Chapter 3.2) we will focus on the relationship of a territorial plan and the improvement of the economic development of the municipality. The theoretical base of “territorial planning” area will be listed in Chapter 3.2.

3.1 Project management

The first part searches the answer to this hypothesis $H_0(a)$: “*The improvement of economic situation in a municipality is not dependent on the number of realized projects*”. This hypothesis was verified on the basis of questions No. 4 and No. 6 from the Additional part I) of the questionnaire.

Part I: Additional part, question No. 4:

Do you realize any projects leading to the increase of poor dynamic development of your municipality?

- Yes, in this sphere we have already realizedprojects.
- No.

Part I: Additional part, question No. 6:

The improvement of economic situation in your municipality you can see in horizon of these years:

(please tick off only one possibility)

- till 1 year,
- 1 – 5 years,
- more than 5 years,
- it is impossible to determine it now.

H_0 : *The improvement of economic situation in a municipality is not dependent on the number of realized projects.*

Against this hypothesis there stands an alternative hypothesis:

H_1 : *denying the above mentioned zero hypothesis.*

The total return on questionnaire survey was 1,357 received questionnaires. To question No. 4 total 1,271 respondents replied; from this number: 661 respondents realize any projects, and 610 respondents do not realize any projects. 388 respondents notified also a specific number of their already realized projects. From this sample (388 respondents) only 223 respondents answered also the question No. 6 – resp. how they perceive their economic development. For this reason, only 223 answers were classified as a response to verify the above mentioned hypothesis, since the analysis demands to know the answers to both of the required questions simultaneously.

The data were sorted into the correlative Tab. 1. Each row of the correlative table contains the frequency distribution Y on condition, that X acquires the value of x_i . For example, the zone (where $X_1=1$ and $Y_1=0$) determines that no municipality, which has realized only one project, can't see any improvement in its economic situation within one year. The answers to the mentioned questions were purposely compiled into the correlative table, where X means the number of realized projects:

X = 1municipality realized one project,

X = 2municipality realized two projects, till

X = 25 ...municipality realized twenty-five projects,

Y = 0municipality can see the improvement of its economic situation till one year,

Y = 1municipality can see the improvement of its economic situation till five years,

Y = 2municipality can see the improvement of its economic situation longer than five years.

Tab. 1 - Correlative table: Number of realized projects – improvement of economic situation in a municipality. Source: own elaboration

X: Number of realized projects	X/Y	Y: Improvement of economic situation in a municipality			
		0	1	2	ni-
	1	0	8	18	26
2	1	21	38	60	
3	1	21	28	50	
4	1	18	13	32	
5	0	11	14	25	
6	0	2	7	9	
7	0	3	1	4	
8	0	1	0	1	
9	0	1	0	1	
10	1	2	3	6	
11	0	0	0	0	
12	0	0	2	2	
13	0	0	0	0	
14	0	0	0	0	
15	0	1	0	1	
16	0	1	0	1	
17	0	0	0	0	
18	0	0	0	0	
19	0	0	0	0	
20	0	3	1	4	
21	0	0	0	0	
22	0	0	0	0	
23	0	0	0	0	
24	0	0	0	0	
25	0	1	0	1	
n-j	4	94	125	223	

First, the significance level (alpha) was selected, i. e. type I error. Usually this value is determined in amount of 5 %, as also in this case; the results are summarized in Tab. 2.

Tab. 2 - Analysis of variance: Number of realized projects – improvement of econ. situation in a municipality. Source: own elaboration (Statgraphics program)

Source of Variations	Sum of Squares (Q)	Degree of Freedom	Average Squares	F criterion	P-Value
Factor x (inter-group variability)	5.154607719	14	0.368186	1.316065	0.1997
Residual (intra-group variability)	58.19068376	208	0.279763		
Total	63.34529148	222			

In Statgraphics program we will find the value for $F_{0,95}(14; 208)$, equal to number 1.73958. The calculated value $F=1.316065 < F_{0,95}(2; 607) = 1.73958$. When we compare the critical values, separating the acceptance area H_0 and critical area, it is verified that the calculated value falls into the acceptance area; therefore the zero hypothesis is not rejected. The Statgraphics program then calculates the P-Value. It represents the minimal significance level for H_0 rejection - it is the lowest significance level (alpha), where H_0 may be still rejected. If $\alpha < \text{P-Value}$, we can't reject H_0 . If $\alpha \geq \text{P-Value}$, H_0 will be rejected. In our case is the P-Value (0.1997) > alpha (0.05), therefore we may not reject H_0 .

Result: There is no dependence among number of realized projects and the improvement of economic situation in a municipality. The answers “I don't know” and “blank answers” weren't added into the statistical investigation, because we wanted to know the real situation in the municipalities (realizing any projects) => they may then judge the dynamic development of their economic situation.

For a complete overview of the project management in municipalities we feature that 388 from the whole sample of 1,357 municipalities mentioned the concrete number of realized projects. They have the most experience with realization of at least two projects supporting the poor dynamic development (as you can see in Tab. 3 in the third column). All 388 municipalities have already realized 1,431 projects. 75 % of those respondents have the experience with 1 – 4 projects, other municipalities have realized more projects supporting their economic development.

Tab. 3 - Number of realized projects by Czech municipalities. Source: own elaboration

Number of projects	Number of municipalities	%
1	54	13.92 %
2	103	26.55 %
3	83	21.39 %
4	51	13.14 %
1 - 4 projects	291	75.00 %

5	51	13.14 %
6	17	4.38 %
7	5	1.29 %
8	2	0.52 %
9	2	0.52 %
10	9	2.32 %
11 and more projects	11	2.84 %
5 and more projects	97	25.00 %

The following part is devoted to the relationship among number of realized projects and improvement of economic situation in a municipality. From Tab. 4 results that municipalities, having any experience with realization of five or more projects, can see the improvement of their economic situation rather more positively than those municipalities, having the experience with realization of just one or maximum four projects.

Tab. 4 - Number of projects – improvement of economic situation in a municipality. Source: own elaboration

Improvement of economic situation in a municipality	Number of projects		Average
	1 - 4	5 and more	
till 1 year	1.79 %	1.82 %	1.80 %
1 - 5 years	40.48 %	47.27 %	43.87 %
more than 5 years	57.74 %	50.91 %	54.32 %
Total	100.00 %	100.00 %	x

From the above mentioned Tab. (1, 2, 3 and 4) we can't reject the hypothesis $H_0(a)$: "The improvement of economic situation in a municipality is not dependent on the number of realized projects". Indeed, by another investigation it was found out that municipalities, which have realized five or more projects, can see their economic development in horizon of at least five years.

An additional question from this area was to determine what resources the municipalities use for financing of their project activities. This part was solved by the question No. 5 from Additional part I).

What financial sources are used for projects of a dynamic development of your municipality? (Circle just one possibility on the scale from 1 to 5, where 1 means insignificant and 5 is the strongest preference.)

1	2	3	4	5
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 from own resources of the municipality,

1	2	3	4	5
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 the combination of its own funds and foreign sources (credits),

- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- from foreign sources (loans, bond)
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the support of the state administration (regional authorities),
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the support of the ministries,
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the support of the government (of a crisis situation, such as floods, etc.)
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the support of the European funds,
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the help of “PPP” (cooperation with the private sector),
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- with the help of only the private sector without the participation of municipalities,
-
- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
- other (indicate which one).

Here are mentioned the average marks, which the individual offered options received. Where is the largest value, this means that the municipalities give the most significant importance within the implementation of their projects in the municipality:

- From its own resources - 3.8.
- Combination of own funds and foreign resource - 2.9.
- From foreign sources - 1.6.
- With the support of the state administration - 3.3.
- With the support of the ministries - 3.3.
- With the support of the government - 1.7.
- With the support of the European funds - 2.8.
- With the help of „Public Private Partnership” - 1.5.
- Only with the help of the private sector without the participation of municipalities - 1.3.

From the above it is clear that the municipalities for the most important resources supporting their development consider their own resources, the resources from ministries and the state administration, as well as the combination of their own funds and foreign sources. As the least effective source of assistance the municipalities indicate only the help of private sector without the participation of the municipality.

The following part of this paper is devoted to the relationship between the existence of updated territorial plan and its influence on the economic development in a municipality.

3.2 Territorial planning

Firstly it will be in brief indicated what is territorial planning, then we will focus on the answers of municipalities just on the sphere of preparedness of territorial plans.

To the territorial planning in the Czech law is devoted above all the Law No. 183/2006 Coll., on the territorial planning and building regulations (construction law). The aim of this law is to create territorial planning assumptions for the construction and for the sustainable development. It consists in the balanced relation of conditions for a favourable environment, for economic development and for the cohesion of the community inhabitants of the territory and which meets the needs of the present generation without jeopardize the conditions of life of future generations. The law also states that the territorial planning handouts are territorially analytical documents, which identify and assess the status and development of the territory and territorial studies to verify the possibilities and conditions for changes in the territory. It serves as a basis for making policy of territorial development, territorial planning documentation, their change and decision-making in the territory [16].

If we look at the issue from a different perspective, then the territorial plan is a document of territorial planning, where the functional utilization of all municipality's areas is determined. It provides the urbanistic conception; it solves the functional utilization of areas, their organization and basic regulation. The aim of the territorial plan is to ensure the harmony of individual activities on municipality's area by the current maximum feasible limitation of their negative influence [7].

The most important territorial planning documentation is therefore the territorial plan. It is a necessary material for the further development, it has the function of both regulatory and motivation. A valid territorial plan, stored in the district authorities, is the first basic document with which each investor should confront its intention. It is a binding legal instrument approved by the local government [17].

In our article we used purposely the term "updated territorial plan" and further focus on the relationship between the territorial plan and the economic development of the municipality. By the term "updated territorial plan" we wanted to evoke by the respondents the question, whether their territorial plans are in accordance with the requirements of the current economy, whether they are not outdated and whether there no relationship exist to the sustainable development of the territory, as for example the Law No. 183/2006 defines. The term "updated territorial plan" the Czech legislation does not use, however, for the needs of our questionnaire survey (which expresses the subjective views/opinions of the respondents) this term has come to us as an appropriate and understandable for a group of respondents. On the basis of this concept the following hypothesis has resulted. It was verified on a sample of respondents, who responded on the referred questions No. 2 and No. 6 of Additional part I):

Hypothesis $H_0(\mathbf{b})$: „*The improvement of economic situation in a municipality is not dependent on the existence of updated territorial plan.*”

Part I: Additional part, question No. 2 **Is the updated territorial plan created in your municipality?**

- Yes, priorities in the territorial plan are:
 - agriculture, - building construction, - business activities.
- Yes, without priorities.
- No.

Part I: Additional part, question No. 6:

The improvement of economic situation in your municipality you can see in horizon of these years:

(please tick off only one possibility)

- till 1 year,
- 1 – 5 years,
- more than 5 years,
- it is impossible to determine it now.

In question No. 2 we purposely used the word “updated” territorial plan, even if we are aware of the fact that in this phrase it isn’t the professionally right expression. We believe that respondents understood this term, because from the total sample of 1,357 respondents 1,245 of them answered this question, it is 91.75 %.

If we are interested in the concrete results of questions No. 2: 22 % of municipalities does not have any updated territorial plan, 78 % of the municipalities has created any updated territorial plan, with the following priorities: about 87 % of the housing, approximately 36 % of the business activities and about 17 % of agriculture. From these results it is clear that, in the aggregate, we do not come to 100 % for all three separate areas; because the municipalities were asked to indicate the priorities – from one to three possible choices, not just one. Therefore, it is taken as a percentage share of selected variants of the total number of those municipalities, which stated that they realize any territorial plan. The hypothesis, however, focused on the relationship of the existence of this plan, and the improvement of the economic development in the municipality.

H_0 : *The improvement of economic situation in a municipality is not dependent on the existence of updated territorial plan.*

Against this hypothesis there stands an alternative hypothesis:

H_1 : *denying the above mentioned zero hypothesis.*

The total return on questionnaire survey was 1,357 received questionnaires, from those 1,245 municipalities replied to the question No. 2 and expressed to the current regional plan. From this sample 1,245 answers only 610 respondents also pointed out the answer to question No. 6 – resp. how they perceive their economic development. Analysis of the dependency requires to know the answers for both questions, therefore the hypothesis has been verified on the sample of 610 respondents.

The data were again sorted into the correlative Tab. 5. Each row of the correlative table contains the frequency distribution Y on condition, that X acquires the value of xi. For example, the zone (where X1=0 and Y1=0) determines that only one municipality has the updated territorial plan with the priority and this municipality can see its economic development within one year. The answers to the mentioned questions were purposely compiled into the correlative table, where X means the existence of updated territorial plan:

- X = 2 municipality has updated territorial plan with priority,
- X = 1 municipality has updated territorial plan without priority,
- X = 0 municipality doesn't have updated territorial plan,
- Y = 0 municipality can see the improvement of its economic situation till one year,
- Y = 1 municipality can see the improvement of its economic situation till five years,
- Y = 2 municipality can see the improvement of its economic situation longer than five years.

Tab. 5 - Correlative table – existence of updated territorial plan and improvement of economic situation. Source: own elaboration

X: Existence of updated territorial plan	X/Y	Y: Improvement of economic situation			
		0	1	2	ni-
	0	1	39	78	118
	1	0	65	80	145
	2	4	150	193	347
	n-j	5	254	351	610

First, the significance level (alpha) was selected, i. e. type I error – again in amount of 5 %; the results are summarized in Tab. 6.

Tab. 6 - Analysis of variance: Existence of updated territorial plan and improvement of economic situation. Source: own elaboration (Statgraphics program)

Source of Variations	Sum of Squares (Q)	Degree of Freedom	Average Squares	F criterion	P-Value
Factor x (inter-group variability)	1.07030582	2	0.53515291	2.0472033	0.13
Residual (intra-group variability)	158.673943	607	0.26140683		
Total	159.744249	609			

In Statgraphics program we will find the value for $F_{0.95}(2; 607)$, equal to number 3.01057. The calculated value $F=2.0472033 < F_{0.95}(2; 607) = 3.01057$. When we compare the critical values, separating the acceptance area H_0 and critical area, it is verified that the calculated value falls into the acceptance area; therefore the zero hypothesis is not rejected. The Statgraphics program then calculates the P-Value again. In our case is the P-Value (0.13) $>$ alpha (0.05), therefore we may not reject H_0 .

Result: There is no dependence among the existence of updated territorial plan and the improvement of economic situation in a municipality.

4 DISCUSSIONS

The above results deserve a space for discussion, above all in relation to the mentioned hypotheses that failed on a selected sample. Resp. relationship between the existence of the project management of the commune (or the territorial plan) and the improvement of the economic development in the communes has not been proved.

Before the final conclusions, it is appropriate to draw attention to some problematic passages that emerged during the processing of the results. One problem that might be discovered, has been the inability to assess and recognize some of the terms by respondents. For example, the misunderstanding of the term “economic development of the municipality”, or also the unwillingness of respondent to estimate future development in the municipality. From the received file 1,357 questionnaires; 1,279 respondents replied to the question about economic development of the municipality, however, only 626 respondents were able to mark this economic development in the context of the specified time horizons. The other respondents indicated that they are not able to qualify the economic development in their municipality. This fact influenced the subsequent verification of hypotheses (used method: analysis of dependency), which always requires an answer file to the both questions at once. In the first case of project management the sample was reduced to the final issue of 223 respondents, and by the questions of the territorial plan it was reduced to 610 respondents. Another possible complication was misunderstanding of terms such a project and project management. This question was replied by 1,271 respondents, where 661 respondents indicated that the projects are realized in their municipalities, but the quantification of the number of projects reported only 388 respondents. This decrease could be due to the inability of the sample to determine which specific projects will now be questionnaires.

Even if we know the above restrictions, we can argue that the municipalities, having greater experience with project management, can see their future development more positive, resp. they have more positive estimation of the improvement of their economic situation. Furthermore, we found that municipalities generally see their economic development as a “run for the long way”, resp. they expect the improvement of their economic situation in the term longer than 5 years. Municipalities, having updated territorial plan, which corresponds to the needs of the present time, can see their future economic development more positive again. We can therefore be considered that the municipalities, which are “proactive”, resp. they can strategically and systematically manage the municipality, may expect earlier positive econo-

mic de-velopment. Those municipalities having any experience with project management, and having an updated territorial plan are better prepared for the initiatives that will allow them more efficient management of the municipality. Such communities can better derive benefits from the possibilities of subsidies from the European Union funds - drawing of these funds is dependent on the knowledge of project management, but sometimes also on the existence of the territorial plan of the municipality. These funds represent for municipalities the possible sources for their future economic development, however, as the questionnaire confirmed, the municipalities do not rely on these resources very much so far. And just the ability of project management in the municipality can contribute to the capability to get these resources, but it would be appropriate to verify in the next additional investigation - here is a place for further research teams and debate.

These claims are certainly interesting, but it is necessary to draw attention to the fact that they are based only on the answers of the selected sample of respondents who participated in the investigation.

5 CONCLUSION

The article was devoted to the selected part of the full-area questionnaire survey, which was realized in June 2008 in the framework of a research project of the Ministry for Regional De-velopment. In the article the specific hypotheses were introduced. They were part of the re-search WD-30-07-1 InoReDis, which looks for innovative access solutions to regional disparities. The aim of this part of the research was to determine whether there is a relationship between the existence of the project management in the municipality, of the territorial plan of the municipality, and by improving its economic development. Both these hypotheses, we were unable to confirm: neither project management nor territorial plan, cannot guarantee a positive economic development in the municipality.

The mentioned outputs listed in this article are only part of the conclusions, which have been identified in the comprehensive evaluation of the full-area questionnaire survey. For sight for this issue, we have provided additional conclusions, which should contribute to the economic development in the municipalities according to the specific opinions of mayors/mayoress:

- Transparency of subsidies in the Czech Republic and EU.
- Support of business and industry development.
- Expansion of technical facilities of municipalities.
- Change of budgeted determination of taxes.
- Improvement of education and social situation [1].

Important findings from all questionnaires were that municipalities are aware of their problems in their future dynamic development, but they often do not search any solutions. We may then say that the basic condition for municipality development is “proactive” approach to management of municipality. Or, in other words, to know how to detect a problem, and also to solve this problem then systematically. For example, the investigation confirmed that municipalities, having some experience with project management, can see their future economic development more positive than those municipalities having not such experience. And just

this “proactive” management of municipalities can contribute to the competitiveness of whole regions in the Czech Republic.

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Contact information

Ing. Martina Ortová, Ph.D.

Technical University of Liberec, Faculty of Economics

Department of Business Administration

Department of Finance and Accounting

Studentská 2, 461 17 Liberec 1

Tel: +420 48 535 2353

E-mail: martina.ortova@tul.cz

Ing. Pavla Řehořová, Ph.D.

Technical University of Liberec, Faculty of Economics

Department of Business Administration

Studentská 2, 461 17 Liberec 1

Tel: +420 48 535 2346, 3692

E-mail: pavla.reborova@tul.cz