

Local Government Decision Making:
Characteristics of Decision Making Processes In Local Governments in Israel
(Jewish Cities)

David Shalom

Department of Political Science

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Executive Summary

In the State of Israel there are 252 local authorities, who administer a general annual budget of over 40 billion NIS. About 50% of the local authorities function within a permanent deficit in their budget, amounting to about half a billion NIS per year. The accumulated deficit of the local authorities amounts to about 5 billion NIS. In the year 2008, the Ministry of the Interior defined 64 authorities as "strong", by reducing their activity report duty to the Ministry. Out of these, 27 are regional authorities. About 75 local authorities are going through a financial crisis and function with an accompanying auditor, due to being defined as "weak" authorities. In the year 2009, 89 local authorities have applied for credit in order to finance their turn-around plan. The basic assumption of this research is that the status of the local authority is the outcome of decisions made by its leadership over the course of several years, not just the outcome of the socio-economic classification.

The central research questions are as follows: is there any correlation between decision-making within the local authorities and their condition today, and what is the difference between the decision-making characteristics within the authorities defined as -making characteristics of the "weak" authorities? The research examines the decentralization processes in the local government of Israel and in the world, which are reflected in the "local autonomy" of the decision-making, along with the need to supervise them and intervene when necessary. The autonomy of the local authorities in their independent decision-making is not unlimited. However the supervision of the Ministry of the Interior on their decisions is limited, due to the restrictions placed on its measures. The independent actions of the local authorities led some of them to crisis, necessitating various forms of government intervention, such as assigning personal liability to the decision makers; appointing an accompanying auditor; dismantling the leadership of the local authority and appointing a nominated committee. The way in which the local authority council and its committees operate ranges between conflict and collaboration, involving interaction between the elected public

representatives, the administrators (the senior servants) and with the authority head (the local leader); the interaction between the leader and the council members and the senior servants; as well as the citizen intervention in the local proceedings and their participation in the decision-making processes. All the above form and influence the decision-making at the local level.

The research examines the influence of these components in Israel and in various types of local government around the world. The research describes the forms of action adopted by local authorities in various countries internationally and the significance of the local decision-making process and the influence of various leadership styles of the local authority head in the process, as observed by research conducted globally. The research delineates various patterns of interaction between elected public representatives and the administration in various countries in regards to their influence on the local decision-making process, as well as approaches and methods of citizens' participation in the local governments of several countries. The research exhibits the theoretical significance of decision-making in diverse situations, the various levels of administration in organizations, prominent theories, which refer to the examination of decision-making processes, and the main models, which assist with decision-making in complex situations.

The research examines the decision-making process according to the rational model, including its main stages: the policy which guides the decisions, defining the problem, data gathering and information processing for the decision makers, examining and weighting the alternatives, and cooperation between the decision makers, as the basis of achieving maximal commitment and implementing decisions. Likewise, the research examines the assessment of the decision quality and ways of improving the decision-making process. The research examines possible deviations, errors and difficulties in decision-making. It examines the main variables which influence decision-making in organizations, such as the group variable (size, composition, relations between the members, possible conflicts in its implementation, and its working procedure); the leadership of the group chairman, the nature of his/her work and his/her possible decision styles; the nature of the control over decision-making and implementation.

The research, which was done in Israel, required a look at the Israeli managerial culture and its influence on decision-making, including at the local level. The "don't

worry" culture, improvisation, the short-run mentality and the centralist approach - all characterize the Israeli managerial culture and apparently influence the decision-making of the local government as well. The research hypotheses attempt to link the above-mentioned variables to the decision-making methods at the local authorities of Israel and to the nature of their functioning. The central hypotheses examine the relationship between policy and the decision-making in the researched authorities, the relationship between the citizens' participation and the local decision-making. It also measures the correlation between the group (all the council components) and the decision-making, as well as the relationship between the decision-making process and the status of the local authority.

The research examines the local decision-making methods of six authorities: three "strong" ones (Natania, Nes Tziona, Shoham) and three "weak" ones (Bnei Braq, Or Yehuda, Mevaseret Zion). These were selected by consulting the Ministry of the Interior staff and defining them according to characteristics of their socio-economic classification and population size. During the course of the research, the Central Bureau of Statistics published a survey for the year 2007, which very much approved the appraisal of the local authorities selected as "weak" or "strong" by the assessment of their citizens. The qualitative research was done in 2008. It relied on several interrelated sources such as personal interviews (open questions) with senior managers in the Ministry of the Interior, heads of local authorities, elected public representatives and senior managers in the local authorities (106 interviewees in all); identical questionnaires to the interviewees; observations in the council meetings (in all 27 council meetings, about 5 of the researched authority); analyzing documents from various sources.

The research findings indicate that there is a clear correlation between the decision-making characteristics of the various authorities and the way they function. The research also shows that there are diversions, errors and difficulties in the local decision-making, reflected mainly within the weak authorities. The most prominent are as follows: inconsistency of the local leadership, local pressure (interest groups and the public), short term thinking, weak administrators, lack of citizen participation in the decision-making, difficulty in creating a wide coalition, elected public representatives lacking competence

and sometimes lacking the motivation to make decisions and fulfill their tasks. The research displays findings and crucial influences on the local decision-making as follows:

1. The Ministry of the Interior's deficient supervision of the local decision-making (both in the headquarters and in the districts) as well as the deterring effect of addressing the personal liability (according to the resolution of the High Court of Justice) on the local decision makers. In this respect, we could characterize the local decision-making as before the validation of personal liability and after it.

2. The relative weakness of the elected public representatives in the decision-making process, in the interaction with the administrators and the authority head. The council members are not rewarded for their effort, which demands from them a large number of work hours without their getting the necessary tools and assistance for the decision-making (including guidance and information). In general the council is but a "rubber stamp", which attests decisions brought to it, its members being no "real" partners in the decision-making, except for one local council only. As for the strong authorities, a solid administrators has been observed, characterized by experience, higher education and seniority. As opposed to the weak authorities, they guide the decision makers in a more systematic, orderly way.

3. The research examines the influence of several local leaders during the last fifteen years on local decision-making. Several leadership styles have been observed and would indicate similar decision-making characteristics among leaders in the strong authorities compared to leaders in the weak ones. In general, the heads of the strong authorities are perceived as more dominant. Prominent common errors have been observed among the "weak" authority heads in the local decision-making, devoid of any necessary relation to variables like education or previous experience. The research displays successful conducting in local decision-making when both the authority head's leadership and the administrators are strong.

4. The difference between public intervention and its participation in the decision-making should be observed. For the strong authorities the public participation in the decision making is more obvious. In the strong authorities several methods of public participation in the decision-making were observed, however mostly no planned

institutionalized systems were found regarding this participation, except for partially in one authority.

5. The policy directing local decisions is significantly important to the decision-making process. For the strong authorities the policy is notably clearer, compared to the weak authorities, in which decisions are sometimes made in the "treat with urgency" way. In all the authorities except one, policy is not submitted for council corroboration and the council members have no influence on it.

6. The data gathering by the administrators, for the decision-making in the strong authority councils, is by far better estimated than it is in the weak ones. However use of decision supporting systems and other useful tools has been found in none of the examined authorities. Sometimes the information submitted to the decision makers is unavailable on time, deficient, limited, incomprehensible, untidy, tendentious and inaccurate.

7. For all of the examined authorities no alternatives were profoundly tested and they used no alternative weighting tables in the local decision-making.

8. For the strong authorities the control over the decision implementation is significantly activated, compared to the weak authorities. The quality of the local decision-making process in the council, in the management committee, and among the managers is considered much higher in the strong authorities than in the weak ones.

Upon examining the central variables which influence the decision-making process, it's possible to point out a clearer, more meticulous decision-making procedure in the strong authorities, the opposite being true in the weak ones. The atmosphere (climate) is better within the strong authority councils compared to that in the weak ones. Likewise, it can be stated that the discussion level in the councils of the strong authorities was more profound than it was in the weak authorities, in which the perceived time pressure for the decision-making is higher. The council chairman (generally the head of the local authority) also has a lot of influence on the decision-making. The research points out effective leadership in the council meetings proceedings, versus prevalent errors appearing mainly in the weak authorities. The research was done during an election year hence there was reason to attribute the elections' influence to the local decision-making, as previous research indicates. However, the impression is that the influence of

election time on the local decision-making is declining and is not as reflected on the results as it used to be in the past.

The contribution of this research is t
research in the local government field. In fact, no similar research which examines the decision-making process of the local authorities around the world has been located. Notably, the research also displays a number of recommendations for the improvement of the local decision-making, to the local authorities themselves and to the Ministry of the Interior, which is in charge of the local government functioning in the State of Israel. The central recommendations focus on the improvement of the council and strengthening its members, as the way to improve the local decision-making; on the significance of the administrators regarding the decision- making; on activating planned mechanisms for citizen participation in the local decisions and on the improvement of the Ministry of the Interior's supervision over the local decision- making. Likewise, the research displays recommendations for future research in the vein of the present research findings, which are related to possible influences on the local decision-making process, like the influence of the local media, the examination of one of the issues discussed in the present research (policy, data arrangement, citizen participation and the like) among a wider sample, the examination of personal liability influence on the decision-making process, the significance of the accompanying auditor on the decision-making and more.