

# How Does Citizen Participation Influence Local Community Outcomes?:

## Exploring Impacts of Various Participation Mechanisms on Multiple Community Outcomes in Terms of Competing Values\*

Oh, Youngmin

### Abstract

Either scholars or practitioners have paid much attention to citizen participation in policy decision-making due to participatory benefits. Despite these benefits, prior studies have not examined the substantial effects of citizen participation mechanisms on local community outcomes. This study conceptualizes a variety of participation mechanisms from direct democracy provisions to informational participatory tools. It investigates that these mechanisms are mutually related to each other by producing multiple community outcomes. The results show that direct democracy provisions are connected to administrative participation mechanisms that produce effective and equitable community outcomes.

**Key words:** Citizen participation, direct democracy, efficiency, effectiveness, equity

## I. Introduction

Either scholars or practitioners have paid much attention to citizen participation in policy decision-making due to many participatory benefits. Most prior studies have argued that public involvement in government is normatively desirable due to democratic outcomes (Ebdon & Franklin, 2006; Arnstein, 1969; Irvin & Stansbury, 2004; Kweit & Kwiet, 2001; King, Feltey, & Susel, 1998; Thomas, 1990; Walters, Aydelotte, & Miller, 2000). Government can normatively legitimize its works by enabling citizen participating in policy or administrative decision making processes (Arnstein, 1969; Irvin & Stansbury 2004). Government can also create instrumental

\* 본 논문은 저자의 박사학위논문과 학위논문의 학회발표문을 토대로 작성하였습니다.

benefits by acquiring citizen constructive suggestions in delivering public service and by reducing citizens' resistance in making and implementing important policies or political decisions (Moynihan, 2003; Robert, 2004). Despite these benefits, prior studies have not examined how different types of citizen participation institutions yield different outcomes in terms of competing values. In particular, citizens in Korea want to establish directive democracy mechanisms that send a warning signal to local politicians due to negative political environments. From a practical perspective, public managers or local residents need more robust evidence on how much particular participation mechanisms improve the outcomes of public programs or policies because implementing participatory programs entails considerable costs (Neshkova & Guo, 2012; Wang & Thomas, 2013).

To overcome the empirical limitations, this study builds upon the institutional perspective of citizen participation programs by conceptualizing various participation institutional mechanisms in administrative or policy decision-making processes at the local level. It investigates whether citizen involvement efforts improve multiple dimensions of local community outcomes. For an empirical test, many surveys and archival data are used to measure various citizen participation mechanisms from directive democracy provisions to informative participation tools and multiple community outcomes of efficiency, effectiveness and equity. Several regression analyses testify the causalities between such participation mechanisms and multiple community outcomes.

## II. Institutional Perspective: Different Participation Mechanisms

This study adopts an institutional perspective in that citizen participation mechanisms are one of institutions. The activities of government vary from the production of public services to policy-making or electoral processes. Scholars have stated that two types of public participation exist in administrative and political processes (Vigoda, 2002; Wang & Wan Wart, 2007). Political participation is a construct which has been popular in political science (Dahl, 1989; Brady, Verba, & Scholzman, 1995). It includes people's engagement in political activities, such as voting, political party membership, participating in political campaigns, involving in lobbying and signing petitions on political issues (Vigoda, 2002)

Prior studies have also paid attention to administrative participation mechanisms (Baker, Addams & Davis, 2005; Ebdon & Franklin, 2004; Fung, 2006; Stewart, 2007; Wang, 2001; Yang & Kallahan, 2005). Citizen participation institutions in administrative process are closely connected

to political participation (Oh & Lim, 2017). A variety of institutional participation mechanisms in administrative process are designed to achieve democratic legitimacy (Irvin and Stansbury 2004) as well as to produce desirable outcomes (Neshkova & Guo, 2012).

Participatory mechanisms can be classified by the extent to which citizens have the authority in decision-making. Stewart (2007) provides different institutional mechanisms according to the degree of citizen decision-making: (1) Delegative (integrative channels), (2) Consultative (two-way channels), (3) Informative (one-way channels). For instance, constitutional institutions such as direct democracy provisions are designed at the delegative mechanisms. Government decision making is delegated to citizens when using these mechanisms. Direct democracy is used to complement representative democracy when a majoritarian electoral system does not function well to represent median voters' interests (Maser 1998). Initiative, referendum, and recall are established to allow citizens to have direct decision making power in policy or administrative processes.

On the other hand, many administrative participation mechanisms at operational level are operated to reflect citizen ideas or opinions as well as to inform them of government works. For example, at the consultative stage, local governments establish the feedback channels where citizens' opinions are heard. Under the institutional mechanisms, citizens can express their ideas and views even though government makes the final decisions. Advisory citizen board committees, citizen focus groups and panels can be organized to listen to citizen voices. Public hearings or open forums are the channels where citizen discuss or learn important policy or administrative issues (Cole & Caputo, 1984). At the informative stage, participatory mechanisms are the one-way channels that announces political or policy decisions. For example, local governments inform citizens of primary government works through mailing or e-mailing newsletters and local government webs in administrative processes. Table 1 shows different types of participation mechanisms.

〈Table 1〉 Different Types of Institutional Participation Mechanisms

Institutional Level	Example of Participation Mechanisms	Degree of Empowerment
Constitutional (Direct Democracy Provisions)	Initiative (주민발안)	Delegatory (Integrative)
	Referendum (주민투표)	
	Recall (주민소환)	
Operational (Administrative Participation Mechanisms)	Ad hoc Task Force	Consultative (Two-way)
	Citizen Panel or Focus Group	
	Council/Neighborhood Meeting	
	Citizen Initiated Evaluation	
	Public Hearing, Open Forum	
	Citizen Survey	
	Citizen Board or Commission	
	Administrative Decisions Release:	Informative (One-way)
	Local Government Services Notices	
	Web-posting, Sending Newsletter,	
	TV or Radio Advertisement	
	Mailings, E-mailing	

Source: This table is in part based upon Stewart (2007)

### III. Hypotheses: Different Participation Mechanisms and Community Outcomes

Despite policy outcomes influenced by public participation institutions, current quantitative studies have noted how citizen participation programs are adopted and implemented (Brady, Verba, & Schlozman 1995; Wang, 2001; Yang & Callahan, 2007; Yang, 2005). Few empirical studies have examined its substantive impacts, with robust quantitative techniques and data. Accordingly, this study examines the associations between different participation institutional mechanisms and multiple local outcomes through a mediation analysis as seen in Figure 1.

〈Figure 1〉 Citizen Participation Mechanisms and Local Community Outcomes



## 1. Direct Democracy Provisions and Administrative Participation Mechanisms

The multi-level institutional theory posits that different levels of institutions are related to each other (Ostrom, 2005; Williamson, 2000). High-level participation institutions influence the adoption of low-level participation institutions by incentivizing actors to design operational institutions in response to uncertainty constrained by upper-level institutions. In the arena of citizen participation, direct democracy provisions and administrative participation mechanisms respectively represent high (constitutional) and low (operational) level institutions. Some municipal charters include direct democracy provisions such as initiative, referendum and recall. These institutional provisions directly empower citizens to initiate policy proposals, put them to a vote and possibly remove elected officials from office.

In regards to the relations between direct democracy institutions and citizen participation mechanisms, Stewart (2007) views that initiative and referendum are high-level delegatory participation mechanisms which are distinct from consultative or informative mechanisms but did not examine the relationship between two mechanisms. Most research studies have examined only how direct democracy institutions affect political participation (Ellis, 2002; Smith, 2001; Tobert, Ramona, & Daniel, 2003). Smith (2001) finds that the presence of salient initiatives and popular referenda increases voters' turnout in midterm elections. Tobert, Ramona, and Daniel (2003) indicate that initiated ballots enhance the probability of voting by educating citizens about policy issues or political decision making.

The impact of direct democracy institutions on political participation may spill over administrative participation mechanisms. Direct democracy institutions can reduce local bureaucrats' uncertainty over elected officials' political pressures that because they enable citizens to directly control elected officials. Because administrators face less political constraints, they can make citizen participation programs at the operational level. Furthermore, direct democracy institutions educate citizens by stimulating citizens' interests in policy processes (Gerber, 1999; Tobert & Smith, 2005). For example, initiative and referendum process allow citizens to directly make a policy or put on a vote in regards to conflicting agenda or issues. Thus, administrators are more engaged in citizen involvement efforts to provide citizen with information about conflicting policy issues. Based on the logic above, local governments with many direct democracy provisions should be motivated to create more administrative participation mechanisms.

H1: Direct democracy provisions in municipal charters are positively associated with administrative participation mechanisms.

## 2. Direct Democracy Provisions and Local Community Outcomes

Several prior studies indicate that public sector performance is related to the level of citizen engagement in policy processes (Viogda, 2002; Vigoda & Shlomo, 2006). Direct democracy represents such citizens' direct participation because government decision-making is delegated to citizens. Citizens' direct decisions contribute to the public sector performance by ensuring the external accountability of bureaucratic decision-making.

To begin with, direct democracy provisions are positively associated with the efficiency and effectiveness of local community outcomes. Citizens' direct involvement is a wake-up call which forces local elected officials or bureaucrats to attend to government performance. Civic organizations and citizens are directly engaged in administrative or policy decision-making processes through direct democracy provisions when they feel that local governments produce poor performance. For instance, tax-watch groups can lead to issue initiatives or referendums when they find excessive wastes in local budgets or inefficient bureaucratic processes. Citizens directly evaluate local government performance by dismissing elected officials who yield poor outcomes in the recall process. Local governments attempt to improve the efficiency and effectiveness in response to such citizen direct pressures.

Direct democracy provisions may also directly and indirectly improve the equity of local government performance. Disadvantaged groups have fewer chances to influence government decision-making. Direct democracy provisions can provide underrepresented groups with substantive opportunities to input their voices and opinions (Donovan & Bowler, 1998). For example, female or ethnic minority groups can take advantage of direct democracy provisions as participation channels that protects their benefits. As a result, under-represented groups' voices lead to more redistributive spending and higher taxes.

H2: Direct democracy provisions are positively associated with the efficiency, effectiveness and equity of local community outcomes

## 3. Administrative Participation Mechanisms and Local Community Outcomes

Various administrative participation institutions at the operation level contribute to enhanced local community outcomes by providing useful channels where citizen' ideas and suggestions are reflected. First, citizen participation channels in administrative processes may contribute to the efficiency of local government performance. Prior studies have generated two competing views on the impacts of citizen participation mechanism on the efficiency of public service

performance. The traditional view argues that citizen participation entails considerable administrative costs (Irvin & Stansbury, 2004). Citizen participation delays the administrative decision making and results in managers' loss of control in decision-making process (Irvin & Stansbury, 2004). Furthermore, Moynihan (2003) emphasizes that in addition to administrative costs, citizen participation increases decision outcome costs because the lack of citizens' knowledge on complex and technical issues can lead to poor administrative decision making.

In contrast, the new views contend that citizen participation in administrative processes enhances the efficiency of public sector performance (Irvin & Stansbury, 2004; Robert, 2004; Neshkova & Guo 2012). Citizen participation helps citizens to suggest new ideas that save costs. For example, citizens can propose innovative solutions that reduce wastes on projects or streamline duplicated administrative processes. The use of participation mechanisms in the budget process of a state Department of Transportation (DOT) reduced the annual total expenditures for operating the transportation systems (Neshkova & Guo, 2012). Government also avoids litigation costs by increasing citizens' inputs in administrative processes (Irvin & Stansbury, 2004). To examine these two conflicting rationales that have not been tested in prior quantitative studies, this study explores the unclear association by suggesting a hypothesis that administrative participation is related to efficiency.

H3: Administrative participation mechanisms are associated with the efficiency of local community outcomes

As opposed to the impact of citizen participation on the efficiency, most studies support the link between administrative participation and the effectiveness because effectiveness is not a cost-related performance measure (Ebdon, 2002; Kathlene & Martine, 1991; Kweit & Kweit, 1981). In many cases, bureaucrats have the narrow scope of experiences, and, thus, fail to predict the unintended consequences of public programs. Public hearings, citizen boards and focus groups allow bureaucrats to listen to the citizen specific preferences, which improve citizen satisfaction about current public services.

Collaboration with citizens enhance the effectiveness of local outcomes (Vigoda, 2002). Bureaucrats and citizens are mutually engaged in solving complex local problems and producing local services (Wagenaar, 2007). Such collaboration is conducive to achieving the local objectives by producing desirable outcomes of local government services. A few case studies identify some effects of collaboration on citizen participation programs. the strategic plans in Washington D.C or Rock hill, South Carolina were designed by establishing Advisory neighborhood commissions and a citizen summit to produce community outcomes (Moynihan, 2003; Wheeland, 2003).

Citizen participation mechanisms require local governments to report local community outcomes to citizens through citizen boards or commissions (Poister & Streib, 1999; Berman & Wang, 2000). Because public managers are accountable for the outputs and outcome of local public programs, reporting local performance to citizens motivates local governments to improve the effectiveness of local outcomes.

H4: Administrative participation mechanisms are positively associated with the effectiveness of local community outcomes.

The impact of citizen participation in administrative processes on equity is still unclear. Prior studies argues that participatory mechanisms may reduce social equality in society because disadvantaged groups were excluded in the participatory processes (Kweit & Kweit, 1981; Robert, 2004). Even though local governments operate various participation channels, unde-represented groups do not have enough the time and knowledge to actively engage. Thus, white males are usually participating in citizen advisory committees or boards and public hearing.

In contrast, others emphasize the effect of citizen participation on equitable outcomes (Nabatchi, 2010; Vigoda, 2002). Because the New Public Management does not take into account fairness and representation, government should pay greater attention to social welfare by identifying disadvantaged citizens' preferences in various citizen participation mechanisms. In these participatory channels, citizens can suggest equity-related programs including their performance indicators and budget (Ho & Coates, 2004). Few studies have examined the contradictory arguments in a quantitative study. Therefore, this study suggests the following hypothesis to clarify the unclear association between administrative citizen participation and equity.

H5: Administrative participation mechanisms are associated with the equity of local community outcomes

## IV. Research Design

### 1. Data and Variables

#### 1) Dependent Variables

To testify the hypotheses, we merged many datasets<sup>1)</sup> to measure various variables. This study

---

1) Even though the datasets seem to be old, we used the most recent community outcome data in the



uses three dimensions of local community outcomes to test the hypotheses as summarized in Table 2. First, we calculated the ratio of output to input of local services to measure the technical efficiency. Inputs are calculated by standardizing per-capita local expenditure and employment, which represent capital and labor costs of local services based on 2007 data obtained from the Census Finance and Employment datasets. The outputs include seven community (societal) outcomes measured in 2010: per capita revenue, unemployment rate and per capita personal income, population growth rate, percentage of the population with high school diplomas, homeownership rate and violent crime rate, and.

Next, seven community (societal) outcomes above are also used to measure local government effectiveness. Previous studies have measured effectiveness through economic situations, quality of life, and educational attainment (Ammar et al, 2011) Lastly, following prior studies (Andrews & Entwistle, 2010; Avellaneda, 2008), we collect 2010 data on five equity indicators. The spending in redistributive policy, poverty rate, and Gini Index measure community inequality. Social equity is measured by the percentage of the eligible young population that is enrolled in schools and the employment rate of ethnic minority groups.

**〈Table 2〉 Measurement and Data Source**

Variables	Measures	Sources
<b>Dependent Variables</b>		
Efficiency: <i>Factor score based on outputs/inputs ratios</i>		
Inputs	Standardized per capita local expenditures	Census Local Government Finance 2007
	Standardized per capita local employment	Census Government Employment and Payroll 2007
Outputs/Outcomes	Per- capita revenue	Census Local Government Finance 2007
	Unemployment rate	Census American Community Survey 2010
	Per capita personal income	
	% of population with high school diploma	
	Population growth rate	Census Population 2000&2010
	Violent crime rate	FBI Universal Crime Report 2007

United States, because the US Census Bureau will examine detailed community outcomes every 10 years. Therefore, the next survey will be conducted in 2020. To ensure the validity of the datasets, the study also runs several T-tests which check whether the merged dataset is similar to the original datasets. The results indicate that the statistical differences are not found between the merged and original datasets. The average values of direct democracy institutions were 1.68 and 1.62 between the merged and original datasets. The mean values of participation institutions in the administrative process were 3.32 and 3.35 between the merged and original datasets.

		Homeownership rate	Census American Community Survey 2010
Effectiveness: <i>Factor score based on the outputs/outcomes above</i>			
Equity: <i>Factor score based on the following items</i>			
		Per capita spending in redistributive policy	Census Local Government Finance 2007
		Economic equality–Gini Index	Census American Community Survey 2010
		Economic equality–Family poverty rate	
		% of educational enrollment<21 years old	
		Unemployment rate of African Americans	
Independent Variable			
Direct Democracy Provision	Delegatory	Initiative (1/0)	ICMA State of Profession Survey 2006
		Popular referendum (1/0)	
		Recall (1/0)	
Administrative Participation Mechanisms	Consultative	Participation in neighborhood meetings (1/0)	
		Participation in council meetings (1/ 0)	
		Participation in town meetings (1/ 0)	
		Participation in boards or commission (1/0)	
		Participation in ad-hoc task forces (1/0)	
		Citizen surveys (1/0)	
		Citizen boards in strategic planning (1/0)	
	Informative	Informing citizens by newspaper (1/0)	
		Informing citizens by newsletter (1/0)	
		Informing citizens by Email (1/0)	
		Informing citizens by .gov website (1/0)	
		Informing citizens by cable TV (1/0)	
Control Variables			
Structures of Government		Council–manager form (1/0)	ICMA Form of Government Survey 2006
		At-large election (1/0)	
		Non-partisan election (1/0)	
Local Community Outcomes		Factor scores of the community outcomes in 2000	Census Local Government Finance 2002, Government Employment and Payroll 2002, Census American Community Survey 2000
Population		Population in thousands	Census Population 2000
Racial Diversity		1–Σ (% of each population groups) <sup>2</sup>	Census Population 2000
Metropolitan		Central (1/0)	ICMA State of Profession Survey 2006
Performance Measurement		Yes (1/0)	ICMA State of Profession Survey 2006
Size of Local Spending		Per capita total expenditure	Census Local Government Finance 2007

We ran a factor analysis with orthogonal rotation on all of the indicators for the dependent variables. Three factors were retained. Some indicators did not sufficient factor loading (below 0.4) on any of the factors and were removed from further analysis. Eigenvalues were 4.62, 2.77, and 1.68 (efficiency, effectiveness, and equity, respectively), and 76% of the total variances are explained by the factors. The indicators retained are shown in Table 3 and factor scores are used for further analysis.

**〈Table 3〉 Factor Analysis of Local Community Outcomes**

Variables	Factor Loadings		
	Efficiency	Effectiveness	Equity
Personal Income – Per Input	0.796	0.395	0.217
Home Ownership Rate – Per Input	0.918	0.121	–0.068
Educational Attainment – Per Input	0.97	0.127	0.025
Unemployment Rate – Per Input	0.96	0.227	–0.182
Violent Crime Rate – Per Input	0.976	0.043	–0.077
Per capita Income	0.091	0.707	0.453
Homeownership Rate	–0.069	0.708	0.019
Education Attainment	0.144	0.732	0.341
Unemployment Rate	0.207	–0.695	–0.343
Violent Crime Rate	–0.175	–0.636	0.098
Coverage of Education	0.083	0.191	0.73
Economic Equity – Gini Index	0.226	0.231	0.763

Notes: varimax rotation

## 2) Independent Variables

The 2006 ICMA Municipal Form of Government Survey measures direct democracy institutions. If the municipal charter includes the provisions such as initiative, referendum, and recall, it is measured as "1" ("0" otherwise). As shown in Table 4, The 2006 ICMA State of Profession Survey measures administrative participation mechanisms. The institutional mechanisms are measured by the presence of consultative mechanisms (e.g., council and neighborhood meetings, advisory citizen boards commissions, and ad-hoc task forces) and informative participation mechanisms (e.g., the use of cable TV, email systems, newsletters, and government websites to announce citizen participation opportunities). We ran a factor analysis and found two factors. Retained items and their loadings are displayed in Table 4; factor scores are used for further analysis.<sup>4</sup> Eigenvalues were 2.94 (direct democracy provisions) and 1.17 (citizen participation mechanisms). The factor analysis explains 39% of the variances.

〈Table 4〉 Factor Analysis of Institutional Local Participation Mechanisms

Variables	Participation in Administrative Process	Direct Democracy
Direct Democracy – Initiative	.196	.810
Direct Democracy – Referendum	.148	.802
Direct Democracy – Recall	.168	.788
Administrative Participation – Council Meeting	.485	.020
Administrative Participation – Neighborhood Meeting	.586	.084
Administrative Participation – Citizen Board Commission	.583	.088
Administrative Participation – Citizen Ad-hoc Taskforce	.558	.224
Administrative Participation – Citizen Survey	.447	.174
Administrative Participation – Informing Citizens via Email	.505	.168
Administrative Participation – Informing Citizens via Cable TV	.513	.160
Administrative Participation – Informing Citizens via Government Website	.697	.097
Administrative Participation – Informing Citizens via Newsletter	.508	.042

Note: orthogonal rotation

### 3) Control Variables

Past outcomes are measured using the same indicators, and factor scores are obtained as the dependent variables are measured, except that the 2000 data are now used instead of the 2010 data. At-large and non-partisan elections and council manager forms are measured as dummy variables. If local governments have performance measurement systems, it is measured as "1" ("0" otherwise). Per capita spending measures the total amount of local expenditures. Northeast and central metropolitan areas are measured "1" ("0" otherwise). The population is measured in thousands. Racial diversity is measured by reversing the HHI ( $1 - \sum (\% \text{ of each population group})^2$  – the higher the score, the more diverse).

## 2. Analytical Procedure

Our hypotheses examine whether high level participation institutions affect low level institutions which produce desirable community outcomes. Administrative participation mechanisms are a mediating variable between direct democracy institutions and multiple local outcomes. Thus, we tested the hypotheses through the path analysis that uses the two step ordinary Least Square (OLS) multivariate regressions as suggested by Baron & Kenny (1986). At the first step, we ran the OLS regression that tested the hypothesis 1 (the relation between direct democracy and participation mechanisms). At the second step, the hypothesis 2, 3, 4, 5 (Impacts

of participation mechanisms on multiple community outcomes) were tested through the other OLS regressions.<sup>2)</sup>

## V. Statistical Findings

Descriptive statistics are summarized in Table 5. The regression analyses indicate that the F-values have statistical significance across all models in Table 6 and 7. Direct democracy institutions significantly affect administrative participation mechanisms across all models (Table 6:  $\beta = 0.114, 0.121, \text{ and } 0.122$ ). Hypothesis 1 is supported. However, direct democracy is not statistically associated with any dimension of local community outcomes, rejecting Hypothesis 2.

**(Table 5) Descriptive Statistics**

Variables	Min	Max	Mean	SD
Efficiency	1.665	11.443	0.000	1.000
Effectiveness	3.589	3.519	0.000	1.000
Equity	2.957	4.633	0.000	1.000
Past Efficiency	-1.575	11.19	0.001	1.000
Past Effectiveness	-6.532	3.459	0.001	0.999
Past Equity	0.578	2.009	0.902	1.423
Direct Democracy Institutions	1.617	1.384	0.000	1.000
Administrative Participation Mechanisms	3.026	1.484	0.000	1.000
Council Manager Form of Government	0.000	1.000	0.654	0.476
At-large	0.000	1.000	0.653	0.476
Non-partisan	0.000	1.000	0.815	0.388
Population	1420	791350	25170	47400
Diversity – HHI Index	0.000	0.729	0.268	0.170
Metropolitan – Central	0.000	1.000	0.078	0.268
Northeast Area	0.000	1.000	0.189	0.392
Per Capita Spending	0.000	69230	1830	2280
Performance Measurement System	0.000	1.000	0.471	0.499

2) We also examined the regression assumptions, such as the normality of residual, multicollinearity and homoscedasticity, through the k-density, VIF, and Breush-Pagan tests. These assumptions were met.

〈Table 6〉 OLS Regression Results—Different Participation Mechanisms

Variables	Administrative Participation Mechanisms		
	$\beta$	$B$	$\beta$
Direct Democracy Institutions	.114**	.121**	.122**
Efficiency in the Past	-.001		
Effectiveness in the Past		.194**	
Equity in the Past			.181**
Council Manager Form	.151**	.143**	.284**
At-large	-.009	-.027	.012
Non-partisan	.116*	.107*	.125**
Population – Per 1000	.165**	.139**	.174**
Diversity – HHI	.039	.103**	.019
Central Metropolitan	.069*	.103**	.028
Northeast Area	.027	.034	-.008
Per Capita Spending	.040	.032	.020
Performance Measurement System	.211**	.191**	.198**
Number	960	960	960
F	15.9***	20.2***	28.3***
R-square	.212	.244	.237

Note: 1. Past Performance = Factor scores in 2000/2002

2. \* p-value <0.1; \*\* p-value <0.05; \*\*\* p-value <0.01.

Administrative participation mechanisms are not statistically significant in terms of efficiency ( $\beta = 0.018$ ), and Hypothesis 3 is not supported. Institutional participation mechanisms in the administrative process are positively associated with effectiveness and equity, and Hypotheses 4 and 5 are supported. The coefficients in effectiveness and equity were respectively 0.130 (p-value<0.05) and 0.059 (p-value<0.1). By and large, direct democracy provisions, council-manager forms of government and nonpartisan elections do not directly affect the efficiency, effectiveness, and equity of local outcomes, but they are positively associated with the administrative participation mechanisms, which, in turn, increase the effectiveness and equity.

Unsurprisingly, past outcomes are positively and statistically significant in all three models. Interestingly, council-manager forms of government, and nonpartisan elections do not directly affect the efficiency, effectiveness, and equity of local outcomes. Diversity has a negative effect on effectiveness, but it has a positive influence on equity. Being a central city of a metropolitan area has a negative connection to effectiveness, but it is positively linked to equity. Per capita spending has a negative relation to efficiency. However, it is positively connected to equity. The performance measurement system is positively tied to effectiveness.

**〈Table 7〉 OLS Regression Results–Participation Mechanisms and Outcomes**

Variables	Efficiency	Effectiveness	Equity
	$\beta$	$\beta$	$\beta$
Direct Democracy Institutions	.027	.006	.006
Administrative Participation Mechanisms	.018	.130**	.059*
Past Outcome	.792***	.702**	.634**
Council Manager Form	.016	–.037	.078**
At-large	.011	.024	–.044
Non-partisan	–.028	.060	–.048
Population – Per 1000	.049*	–.034	–.003
Diversity – HHI	.005	–.197**	.086**
Central Metropolitan	–.023	–.064*	.088**
Northeast Area	.003	.054	.097**
Per Capita Spending	–.129**	.003	.073**
Performance Measurement System	–.034	.054*	–.010
Number	743	743	743
F	43.6***	81.5***	64.43***
R-square	.753	.700	0.515

The result seen in Table 8 indicates that the association between direct democracy institutions and community outcomes is fully mediated by administrative participation mechanisms. Direct democracy institutions are not directly connected to all outcomes. This means that direct democracy provisions indirectly influence effectiveness and equity (respectively  $0.016=0.121*0.130$ ,  $0.007=0.122*0.059$ ) through participation institutions in administrative process. Table 8 shows the total impacts of citizen participation mechanisms on local outcomes.

**〈Table 8〉 Total Effects**

	Efficiency			Effectiveness			Equity		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
Direct Democracy Institutions	–	–	–	–	.016	.016	–	.007	.007
Administrative Participation Mechanisms		–	–	.130	–	.130	.059	–	.059

## VI. Conclusions and Implications

Despite the effects of such citizen participation, few studies have investigated how various

citizen participation institutions produce different types of outcome, in a robust quantitative way. In this context, the findings provide public managers with useful insights about the importance of citizen involvement efforts because such mechanisms substantively improve the effectiveness and equity of local community outcomes

The findings reveal that high-level participation institutions influence low level participations. Although prior studies have conceptualized different levels of participation mechanisms, they have not addressed or empirically tested how various mechanisms relate to each other (Fung 2006; Stewart 2007). The result implies that citizen interests in policy issues stimulated by direct democracy provisions at the constitutional level can motivate public managers to design administrative participation channels at the operational level. This study benefits extant citizen participation literature by discovering a new antecedent of administrative citizen participation mechanisms.

However, the direct democracy provisions at the high institutional level did not directly increase the dimensions of local community outcomes. Given that citizen's direct control mechanisms can force elected officials or administrators to pay attention to public services that produce community outcomes, it is a questionable result. A possible reason is that direct democracy provisions are not frequently implemented because this study measures only the existence of such provisions in municipal charters. The actual implementation of direct democracy provisions may produce greater substantive outcomes. Despite this methodological limitation, the finding demonstrates that direct democracy indirectly improves the effectiveness and equity of local community outcomes through administrative participation mechanisms. This evidence provides positive signals to Korean local governments that consider direct democracy provisions to remedy negative political environments.

The findings indicate that administrative participation mechanisms do not increase efficiency. Though an empirical study indicates that citizen participation increases efficiency (Neshkova & Guo, 2012), our result seems to be reasonable, considering that there are two opposite rationales on the impacts of citizen participation mechanisms on economic or efficiency gains (Irvin & Stansbury, 2004; Moynihan, 2003; Robert, 2004). On one hand, local governments can reduce the cost of public services by eliminating wasteful projects and improving inefficient bureaucratic processes through citizen monitoring and can save implementation costs by mitigating citizen resistance. On the other hand, participation mechanisms entail considerable administrative costs because establishing participation channels is costly, may delay important decision-making processes, and can weaken the control of decision-making. Such negative effects could offset the cost-efficiency achieved by administrative citizen participation mechanisms.

Administrative participation mechanisms positively influence the effectiveness of local



community outcomes as most studies argue (Neshkova & Guo, 2012; Moynihan, 2003; Woolum, 2011). Local governments can listen to citizens' ideas through various administrative channels. Informative mechanisms are also indirect channels which encourage citizens to be more interested in important policy issues. Increased interests motivate citizens to suggest their ideas through consultative channels. Citizens' suggestions can help to achieve the outcomes of public programs by enhancing the quality of decision-making. The finding provides public managers with an important implication: they should obtain citizen opinions by creating effective participation channels to improve community outcomes

Finally, administrative participation mechanisms have a positive impact on the equity of local government performance. At the local level, the finding is the first large N empirical evidence demonstrating that administrative participation institutions improve equity. From the democratic perspective, the result is an important contribution because democratic reforms such as citizen participation programs can produce equitable outcomes. Instead of the view that participatory programs are controlled by dominant groups (Kweit & Kweit, 1981; Robert, 2004), the empirical finding supports the argument that administrative participation channels offer disadvantaged or underrepresented groups new chances to participate in policy deliberative processes (Nabatchi, 2010; Vigoda, 2002; Ho & Coates, 2004). Elected officials or administrators can create more policies that benefit excluded groups in response to minority groups' increased voices in many participation channels. Practitioners need to consider designing more administrative participation channels to embody democratic ethos in decision-making to improve the outcomes of government programs despite increased administrative costs.

Despite the meaningful findings of our study, some limitation still remains in this study. This study did not examine how varieties of citizen participation mechanisms affect local community outcomes. Many citizen participation programs are unauthentic even though they are frequently implemented. A qualitative study can complement the quantitative methods by describing the actual aspects of citizens' involvement in real participation programs. Over the past two decades, market-driven reforms have been a dogma. Government has attempted to implement such reform programs to improve government performance. However, our study statistically demonstrates that citizens' democratic participation is indispensable to increased community outcomes through a robust research design. It is expected that this study can be an initial step in understanding the associations between citizen participation and various values of social outcomes.

## References

- Ammar Salwa, Duncombe, W., Yilin, H., Bernard, J., & Wright R. (2001). Using Fuzzy Rule-Based Systems to Evaluate Overall Financial Performance of Governments. *Public Budgeting and Finance* 21: 91-110.
- Andrews, R., & Entwistle, T. (2010). Does Cross-Sectoral Partnership Deliver? An Empirical Exploration of Public Service Effectiveness, Efficiency, and Equity. *Journal of Public Administration Research and Theory* 20:679-701.
- Avellaneda, C. (2009). Local government Performance: Does Mayoral Quality Matter? *Journal of Public Administration Research and Theory* 19: 285-312
- Arnstein, S., R. (1969). A Ladder of Citizen Participation. *Journal of the American Institute of Planners* 35(4): 216-24
- Baron, R. M., and Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Behn, R. (2001). Rethinking Democratic Accountability. Washington DC: Brookings Institution
- Baker, W. H., Addams, H., L & Brian D. (2005). Critical Factors for Enhancing Municipal Public Hearings. *Public Administration Review*, 65(4): 490-499.
- Berman E., & Wang. X. (2000). Performance Measurement in U.S. Counties: Capacity for Reform. *Public Administration Review* 60: 409-420.
- Brady H. E. Verba S, & Schlozman K. L. (1995). A Resource Model of Political Participation. *American Political Science Review* 89(2):271-294.
- Cole, R.L., & Caputo, D. (1984). The Public hearing as an effective citizen participation mechanism. *American Political Science Review* 78(2):404-416.
- Dahl, R.A. (1989). Democracy and its critics. New Haven, CT: Yale Univ. Press.
- Donovan, T, & Bowler. S (1998). Direct democracy and minority rights: an extension. *American Journal of Political Science* : 1020-1024.
- Ebdon C, & Franklin. A. (2004). Searching for a Role for Citizens in the Budget Process. *Public Budgeting and Finance* 24:32-49
- Ebdon C, & Franklin. A. (2006). Citizen Participation in Budgeting Theory. *Public Administration Review* 66 (3): 437-447.
- Ellis, R. (2002). Democratic Delusion: The initiative process in America, KS: University Press of Kansas.
- Fung, A. (2006). Varieties of Participation in Complex Governance. *Public Administration Review* Special issue on collaborative public management: 66-75.
- Gerber, E. (1999). The Populist Paradox: Interest Group Influence and The Promise of Direct Legislation. Princeton NJ: Princeton University Press.

- Ho, A. C. & Coates. P (2002). Citizen Participation: Legitimizing Performance Measurement as a Decision Tool. *Government Finance Review*,18 (2): 8-11.
- Irvin, R. A., & Stansbury. J. (2004). Citizen Participation in Decision Making: Is Worth the Effort? *Public Administration Review* 64 (1): 55-65.
- Kweit, M. G. & Kweit R.W. (1981). .Implementing Citizen Participation in a Bureaucratic Society: A Contingency Approach. New York: Praeger.
- Kathlene, L., & Martin. J.A. (1991). Enhancing citizen participation: Panel designs, perspectives, and policy formation. *Journal of Policy Analysis and Management* 10: 46-63.
- King, C. S., Feltey, K.M. & Susel. B. (1998). The Question of Participation: Toward Authentic Public Participation in Public Administration. *Public Administration Review* 58(4): 317-326
- Maser, S. M. (1998). Constitutions as relational contracts explaining procedural safeguards in local government charters. *Journal of Public Administration Research and Theory* 8: 527-64.
- Moynihan, D. P. (2003). Normative and instrumental perspectives on public participation: Citizens summits in Washington, D.C. *American Review of Public Administration*, 33:164-88.
- Nabatchi T. (2010). Democracy for Public Administration Addressing the Citizenship and Democratic Deficits: The Potential of Deliberative. *The American Review of Public Administration* 40(4): 376-399
- Neshkova, M I., & Guo. H.D. (2012). Public Participation and Organizational Performance: Evidence from State Agencies. *Journal of Public Administration Research and Theory* 22:267-288
- Oh Y & Lim. S. (2017). Exploring the Missing Links between Administrative and Political Participation: The Mediating Roles of Political Efficacy. *International Review of Administrative Sciences*.
- Ostrom, E. (2005). Understanding Institutional Diversity. Princeton University Press, Princeton, NJ.
- Poister, S. & Streib. G. (1999). Performance Measurement in Local government Government: Assessing the State of the Practice. *Public Administration Review*, 59(4): 325-335.
- Roberts, N. (2004). Public Deliberation in an Age of Direct Citizen Participation, *The American Review of Public Administration* 34: 315-351
- Smith, M. (2001). The Contingent Effects of Ballot Initiatives and Candidate Races on Turnout. *American Journal of Political Science*, 45 (3): 700-706
- Stewart, K. (2007). Write the rules and win: Understanding citizen participation game dynamics. *Public Administration Review*, 67(6): 1067-1076.
- Tolbert, Ca. J., Ramona, S. M., & Smith. D.A. (2003). Enhancing Civic Engagement: The Effect of Direct Democracy on Political Participation and Knowledge. *State Politics and*

- Policy Quarterly* 3(1): 23-41.
- Tolbert. C. J., & Smith. D.A. (2005). The Educational Effects of Ballot Initiative on Voter Turnout. *American Politics Research* 33(2): 283-309.
- Thomas, J. (1990). Public Involvement in Public Management: Adapting and Testing a Borrowed Theory. *Public Administration Review* 50(4):435-445.
- Verba, S, Schlozman, K. L, & Brady, H. (1995). Voice and Equality: Civic Volunteerism in American Politics. London: Havard University.
- Vigoda, E.. (2002). Administrative Agents of Democracy? A Structural Equation Modeling of the Relationship between Public-Sector Performance and Citizenship Involvement. *Journal of Public Administration Research and Theory* 12: 241-272.
- Vigoda-E., & Shlomo M. (2008). Public sector management and the democratic ethos: A 5-year study of key relationships in Israel. *Journal of Public Administration Research and Theory*, 18:79-107.
- Wagenarr, H. (2007). Governance, Complexity, and Democratic Participation How Citizens and Public Officials Harness the Complexities of Neighborhood Decline. *The American Review of Public Administration*, 37:17-50
- Walters, L, Aydelotte, J. & Miller. J (2000). Putting More Public in Policy Analysis. *Public Administration Review* 60(4): 349-359.
- Wang, X. (2001). Assessing Public Participation in U.S. cities. *Public Performance & Management Review* 24(4): 322-336
- Wang, X, & Wan Wart. M. (2007). When Public Participation in Administration Leads to Trust: An Empirical Assessment of Managers' Perceptions. *Public Administration Review* 67 (2): 265-278.
- Wang, X, & Bryer. T.A. (2013). Assessing the Costs of Public Participation A Case Study of Two Online Participation Mechanisms. *The American Review of Public Administration* 43(2): 179-199.
- Williamson. (2000). The New Institutional Economics: Taking Stock, Looking Ahead. *Journal of Economic Literature* 38(3): 595-613
- Wheeland, C. M. (2003). Implementing A Community-Wide Strategic Plan : Rock Hill's Empowering the Vision 10 Years Later. *The American Review of Public Administration*, 33: 46-69.
- Woolum, J. (2011). Citizen Involvement in Performance Measurement and Reporting A comparative case study from local government. *Public Performance and Management Review* 35: 79-112.
- Yang, K. (2005). Public administrators' Trust in Citizens: A Missing Link in Citizen Involvement Efforts. *Public Administration Review* 65(3): 273-285.
- Yang, K., & Callahan. K. (2005). Assessing Citizen Involvement Efforts by Local Governments.

*Public Performance and Management Review* 29(2): 191-216.

---

오영민(吳英敏): 미국 플로리다주립대학교에서 행정학 박사학위를 취득하고, 현재 동국대학교 행정학과 조교수로 재직 중이다. 주요 관심분야는 정책성과평가, 성과관리, 재정관리, 지역정책, 공공기관 및 정부개혁이다. 최근 논문으로는 우리나라 부담금 관리제도의 효과성 분석: 부담금운용평가 결과 환류의 실효성 분석을 중심으로, 우리나라 결산의 효과성 분석: 결산정보의 예산환류에 대한 실증분석을 중심으로, Connecting a missing link between participation in administration and political participation 등이 있다(dowhat50@dongguk.edu).

〈논문접수일: 2019. 7. 17 / 심사개시일: 2019. 7. 19 / 심사완료일: 2019. 8. 12〉

## 국문요약

시민참여는 지역성과에 어떤 영향을 미치는가?  
경쟁적 가치관점에서 참여제도의 다중 지역성과에의 영향분석

오영민

학자들과 정책담당자들은 시민참여에 대하여 많은 관심을 가져왔지만 시민참여가 지역의 성과에 미치는 영향을 체계적으로 조사한 연구는 드문 편이다. 이러한 한계를 극복하기 위하여 본 연구는 직접민주주의 참여제도부터 단순 정보제공 참여채널까지 다양한 시민참여 방식을 개념화한다. 이러한 개념화를 통해 참여채널 간의 상호관계를 분석하고, 여러 참여채널이 지역의 다양한 성과에 미치는 영향을 통계적으로 분석한다. 통계분석과 결과 직접 민주주의 참여제도를 가지고 있는 지방정부일수록 다양한 시민참여 프로그램을 운영하고 있는 것으로 확인되었다. 또한, 다양한 시민참여 프로그램을 운영하는 지방자치단체는 지역의 성과를 효율적으로 달성하지는 않지만 지역성과의 효과성과 형평성을 높이는 것으로 나타났다.

주제어: 시민참여, 직접민주주의, 효율성, 효과성, 형평성