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INVESTMENT PREFERENCES OF CITIES AND REGIONS BY THE GENERAL POPULATION

Nataša URBANČÍKOVÁ
Technical University of Košice, Košice , Slovakia
natasa.urbancikova@tuke.sk

Ladislav SUHÁNYI
Prešov University, Prešov, Slovakia
ladislav.suhanyi@unipo.sk

Abstract
By area, the Slovak Republic is considered to be a small European country. There are dramatic differences between Slovak cities and regions both in economic and social terms. Public investment is supposed to bring a positive impact on the dynamics of economic development, economy growth and its overall performance; nonetheless, it is town and regional parliaments that select the intervention areas, and, unlike in private sectors, the proportionality of investment activities and their portfolio suitability is not assessed with respect to their benefits. Another point is the perception of these investment activities by the urban and regional populations, which is truly unique research. Significant differences have been recorded, related to both decision-making in regions at similar levels of development and to public opinion.
Keywords: Cities and regions, investment, capital expenditure.

1. MAKING INVESTMENT DECISIONS IN CITIES AND REGIONS

The article analyses the efficiency of investment activities in cities and regions according to various budget sections where long-term investments are directed and according to their perception by the population. The subject of investment explores the relationship between the current and future consumption of economic goods. Irwing Fisher defined (Fisher, 1930) an interest as the result of interaction between willingness and opportunity. This willingness plays a role in the interest determination and it means the surrendering of the current consumption for the benefit of future generations, while making investment decisions happens in very uncertain conditions. If an economy reduces the production of consumer goods for the sake of capital goods, it can grow faster and acquire a greater amount of both consumer and capital goods in the future. Both the general neoclassical growth model and the theory of endogenous growth place an emphasis on the role of public investments in the economic growth (Romer, 1986; Lucas, 1988; Rebelo, 991; Barro and Sala-i-Martin, 1999). Besides creating economic stimuli through the development of infrastructure, support to

education, healthcare, research and development, they also have a positive side effect on private investments. However, the relationship of public investments to private investments and economic growth brings some doubtful empirical results (Devarajan et al., 1996). The volume and effectiveness of investment utilisation affects the dynamics of economic development, economic growth and overall economic performance. In making investment decisions in public administration several investment variants are considered based on their ex-ante evaluation with respect to future effects. In positive cases, their relationship to strategic plans is additionally taken into consideration based on participation of the public, i.e. public interests are considered as well. Moreover, the effectiveness of investment may be analysed by means of so-called Data Envelopment Analysis (Dobrea, Ciocoiu, Dinu, 2013).

The structural changes of the economic systems in Central and Eastern Europe (CEE) since the early 90s have resulted in large investment requirements for the reconstruction of the infrastructures such as telecommunications, roads, railways, airports, and water management facilities. A decision to use public-private partnership financing was made in all the CEE countries (Suhányi, 2009).

Generally accepted economic rules may also be applied to territorial units such as cities and regions. In Slovakia, as in other CEE countries, a process of fiscal decentralization took place, thereby giving regional governments the right of investment decision-making to improve the quality of life in, and infrastructure, environment and increase the competitiveness and development of, their regions. On the other hand, this decentralisation led to greater regional disparities in the CEE countries (Tvrdoň, Skokan, 2011).

It is an individual decision of each self-governing unit how to divide expenditure to current and capital ones. If one decides to increase its capital expenditure, the intention is to boost its regional economy. In the public sector, investments as an accounting and financial category present larger monetary expenses which are to bring economic benefits in the long run (Suhányiová, Horváthová, 2013). A range of specific priorities is relatively wide, and national or regional authorities have to select an appropriate portfolio of priorities, and the extent to which they allocate funds for them is based on an ex-ante evaluation and public priorities (Hudec, 2008). The private sector measures the efficiency of the realized investments by comparing the business profit to the costs incurred. In order to measure public benefit the public sector employs certain intermediary indicators (e.g. the number of rendered decisions, length of maintained roads etc.). The determination of public good as a counterbalance to profit is always problematic – each subject perceives the effectiveness of public administration in relation to their subjective needs (Klus in Králik, 2010).

The fundamental task of self-government is to provide the overall territorial development of a particular city, town or region, and to care about its population's needs. Once the residents of the city or region are satisfied with the development, they make a decision in the next election in a way similar to customers (Vykydal, Halfarová and Nenadál, 2013) showing their willingness to purchase (vote) again. This has driven the intention of the authors of this article to deal with the evaluation of investment activities in cities and regions from the point of view of their citizens.

Regional governments realise decision-making their strategic objectives given in their regional policy documents via investment (Suhányi, 2012). Hence, an investment activity of the region (as well as of the company) differs from a usual operating activity in several aspects (Valach, 2006): its long-term horizon, a greater risk of deviating from the original estimate of the expected costs or incomes, and its difficult coordination due to different economic interests of the actors (e.g. investors, designers, contractors or subcontractors, etc.). The process of investment decision-making consists of several stages, and the associated long-term funding of investments is usually named 'capital planning' (Clark, Pritchard, Hindelang, 1989). Some phases of capital planning are overlapping and there must be a feedback between them, therefore an integrated management system would be appropriate to control it (Zgodavová, Bober, 2012).

2. METHODOLOGY AND METHODS

The article pays attention to the economic classification of costs with emphasis placed on capital expenditure, which is defined as investments exceeding a period of one fiscal year that serve to finance long-term investment needs and which should be directed to the economic or social infrastructure, which in turn, in Slovakia, is represented by the budget sections of the regional self-governing authorities, transportation, healthcare, culture, education, and social care.

The basic source of regional data is the data presented by the Statistical Office of the Slovak Republic and balance sheet accounts of individual regions. The authors used their own questionnaire survey to follow the perception of investment activities by the populations of cities and regions. The first part of the article analyses regional performance. Regions comparable by their performance expressed by key indicators, such as the regional GDP, unemployment rate and average wages, were included in the analysis. Another part of the article analyses specific investment activities of self-governing regions from 2004 to 2012, based on their capital spending in terms of time and the abovementioned sections. The primary data were obtained in March 2014 from three regions in parallel, using a quota selection from

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email boxes so that only the specimen of the population following the development and information concerning their region and strategic direction was addressed. Three hypotheses were suggested:

- Hypothesis 1: It is assumed that there is a correlation between a particular region and the level of its satisfaction with the management of the regional economy.
- Hypothesis 2: It is assumed that there is a correlation between the variables of the current and desired state of directing long-term investments.
- Hypothesis 3: It is assumed there are differences in how the populations of different regions perceive long-term investments in particular budget sections.

3. REGIONAL PERFORMANCE ANALYSES

The Slovak Republic is comprised of eight self-governing regions. Within the territory of the Slovak Republic, western-eastern and northern-southern development gradients become evident (cf. the National Strategy of Regional Development of the Slovak Republic, 2010, pp. 8-9). Regional disparities exist mainly in the direction of the western-eastern trajectory. The cities (Žilina, Trenčín, Nitra) and regions (The Žilina, Trenčín and Nitra Region) which were selected for the research are neighbouring regions and economically perform very similarly, which is the best prerequisite for comparative analysis of investment priorities.

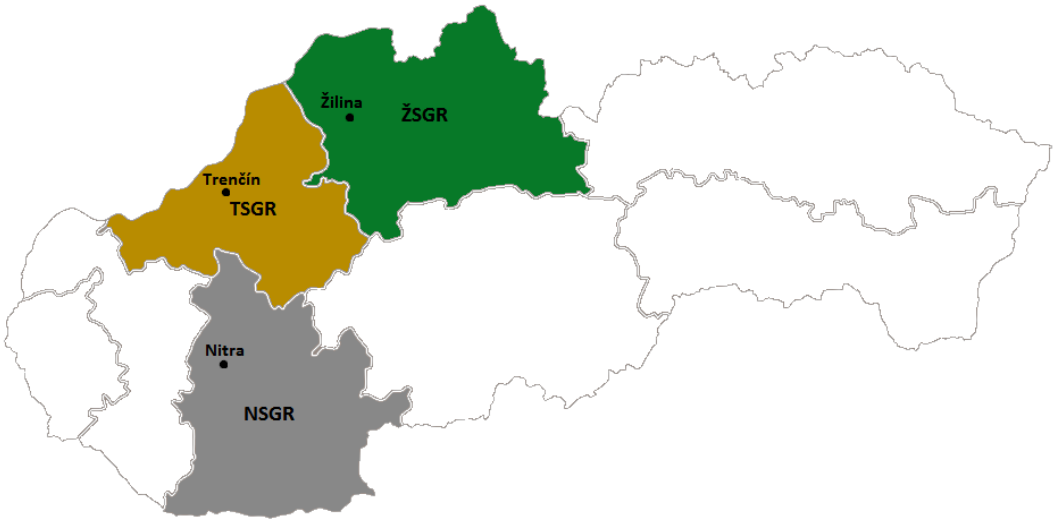

FIGURE 1 - ANALYSED CITIES AND REGIONS

The Nitra Self-Governing Region (NSGR) consists of 7 districts, 15 towns and 354 municipalities. It has almost 700,000 inhabitants and the population density is 109 people per square kilometre.

The Trenčín Self-Governing Region (TSGR) consists of 9 districts, 18 towns and 276 municipalities. It has a population of around 600,000 and the population density is 133 people per square kilometre.

The Žilina Self-Governing Region (ŽSGR) includes 11 districts, 18 towns and 315 municipalities. The total number of inhabitants is 700,000 and the population density is 102 people per square kilometre.

Some selected macroeconomic indicators

Macroeconomic indicators speak about aggregated economic phenomena. The macroeconomic aggregates of the gross domestic product (GDP) per capita, unemployment rate and the average monthly income were used to describe the economic development of the aforementioned regions. Until 2008 there was a growing tendency in the GDP per capita in those regions, which slightly exceeded the Slovak average. A slight decrease came in 2009 as the result of the global economic crisis. The greatest values were achieved in all said regions in 2011 (11,435 € in the NSGR, 11,262 € in the TSGR, and 11,040 € in the ŽSGR). The highest average growth rate in the GDP was recorded in the ŽSGR (8.06%), followed by the NSGR (7.4%), and finally the TSGR (6.47%). Their unemployment rates were at their highest points in the first years of the new millennium, whereas the average values for the whole period are as follows: the NSGR (13.96%), ŽSGR (12.71%), and the TSGR (7.55%). The regions' average monthly income rose every year, while the average amounts for the entire period were as follows: the ŽSGR (595.79€), TSGR (574.89€), and the NSGR (563.06€).

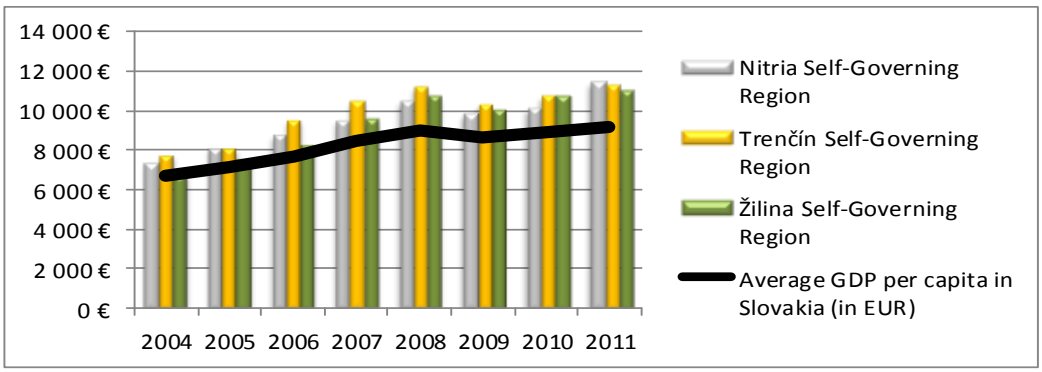

FIGURE 2 - REGIONAL GDP PER CAPITA EXPRESSED IN EUR

A multi-criterion method for the observed indicators from 2004 to 2011 was employed to evaluate the forenamed regions. The best indicator value was given a score of 100 points, and this value, or benchmark, was then applied as a basis for the percentage comparison of the other regions. The result is a composite index of regional performance based on the average number of indicator points that captures the relative balance in the performance of all regions. These are considered to be comparable by area, population and economic performance.

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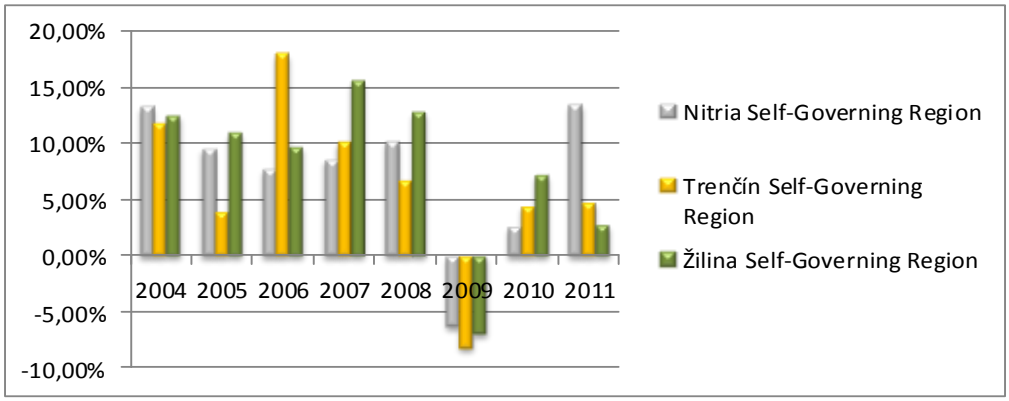

FIGURE 3 - GDP GROWTH RATE

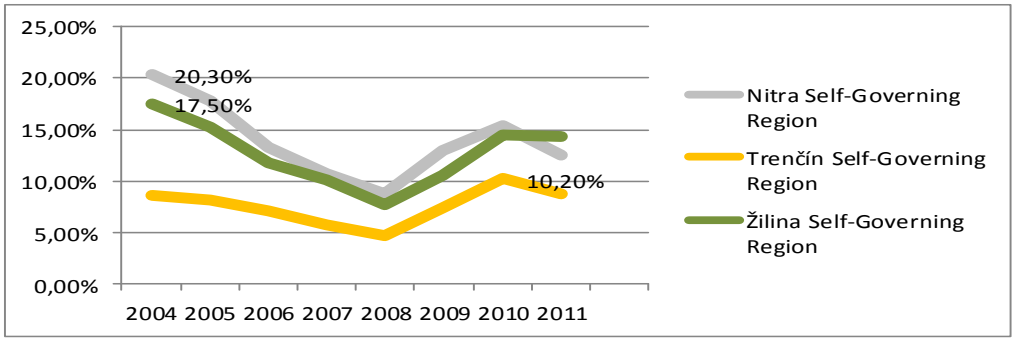

FIGURE 4 - UNEMPLOYMENT RATE

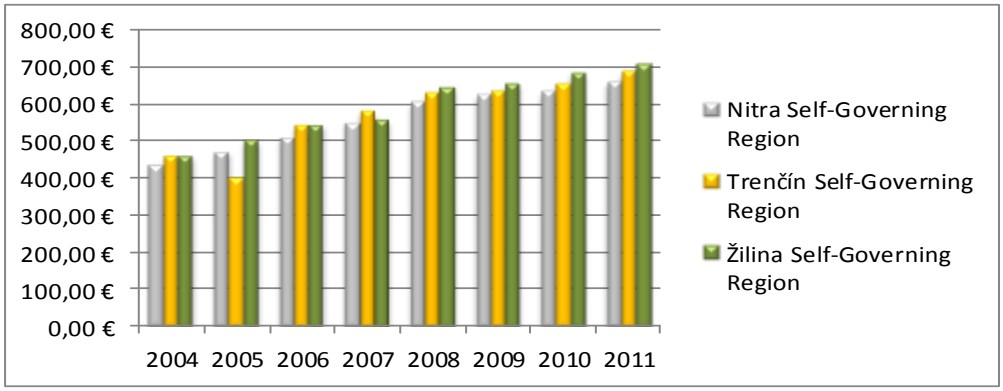

FIGURE 5 - DEVELOPMENT OF AVERAGE MONTHLY INCOME EXPRESSED IN EUR

TABLE 1 - PERFORMANCE OF SELF-GOVERNING REGIONS

	Nitra Region	Trenčín Region	Žilina Region
GDP in PPP	100	89.29	97.48
GDP per capita	95.25	100	94.15
GDP growth rate	91.81	80.27	100
Unemployment rate	86.04	92.45	87.29
Average monthly income	94.051	96.49	100
Average total	**93.52**	**91.70**	**95.78**

(Source: The authors)

4. ANALYSIS OF REGIONAL INVESTMENT ACTIVITIES

Capital expenditure is regarded as equivalent to investments. The article focuses on some selected sections to which a particular region is directing its long-term finances: the self-governing regional office, transportation, healthcare, culture, education and social care. The information was collected from the annual balance sheets of the specific regions during the period of 2004 to 2012.

4.1. Comparison of investment activities in self-governing regions

The chart below, showing the regional investments in the individual sections, presents great diversification. The first place in investment expressed in the volume of capital expenditure belongs to the ŽSGR (158,749,764.35 €), followed by the TSGR (123,157,796.48 €), and lastly the NSGR (104,711,549.70 €). In total, the regions invested 386,619,110.53 €, most of which went to the section of transportation.

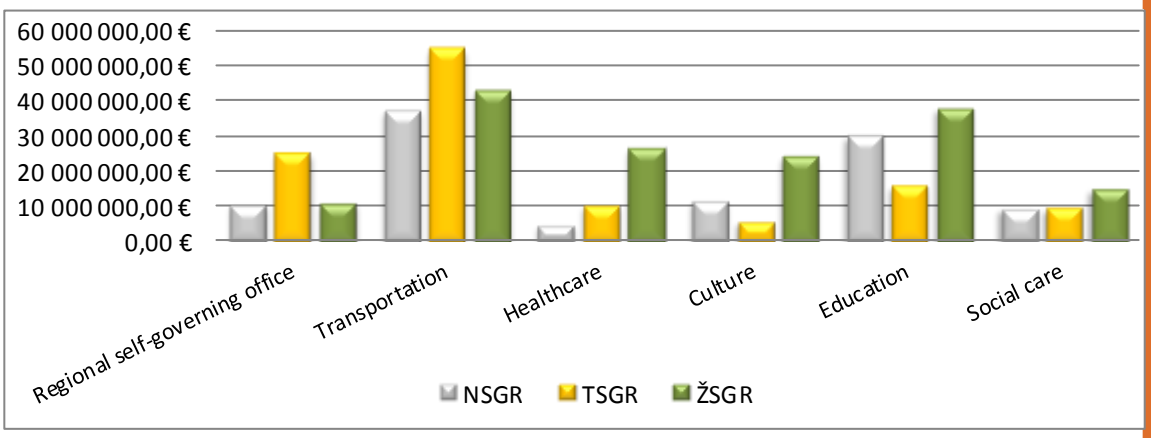

FIGURE 6 - TOTAL CAPITAL SPENDING IN THE INDIVIDUAL SECTIONS

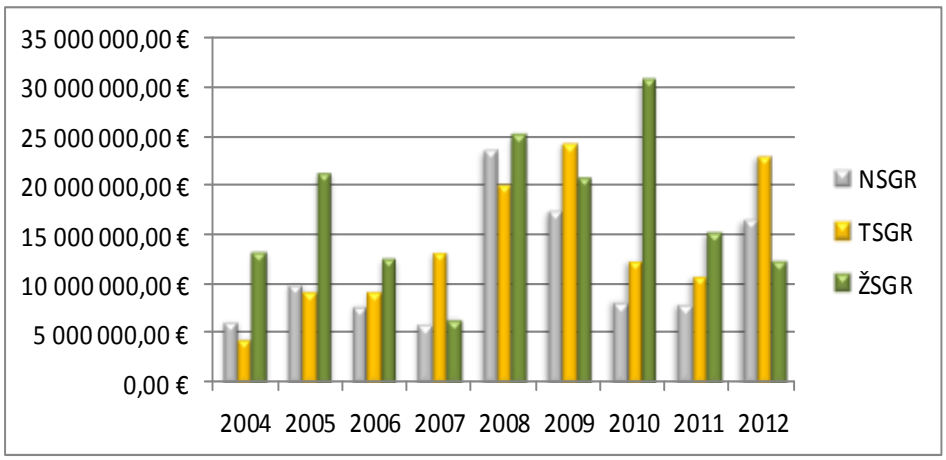

FIGURE 7 - TOTAL CAPITAL SPENDING BY YEARS

The regional capital expenditure varied greatly and had a fluctuating character. The average capital expenditure was the greatest in the ŽSGR (17,638,862.71€), which was 19.5% higher than in the TSGR (14,192,177.21 €), and 34% higher than in the NSGR (11,634,616.63 €).

In the comparison of the regional investment activities according to the multi-criterion method 100 points was assigned to the highest indicator score as a reference value for percentage comparison:

TABLE 2 - LONG-TERM REGIONAL INVESTMENT ACTIVITIES IN VIEW OF THE SCORING SYSTEM

	NSGR	TSGR	ŽSGR
Regional self-governing office operation	42.47	100	44.08
Transportation	69.77	100	78
Healthcare	18.35	39.29	100
Culture	48.19	24.76	100
Education	78.98	42.41	100
Social care	63.93	64.74	100
Average total	**53.62**	**61.87**	**87.01**

(Source: The authors)

The method points to the Žilina Self-Governing Region as being the most active region in terms of investments, with a score of 87.01 points, devoting its investments to the four sections of healthcare, culture, education, and social care. The score for the Trenčín Self-Governing Region, with its investment priorities in transportation, social care, education, healthcare, and culture, was 61.87 points. The last-placed was the Nitra Self-Governing Region, with a score of 53.62 points, having given priority to education, transportation, and social care.

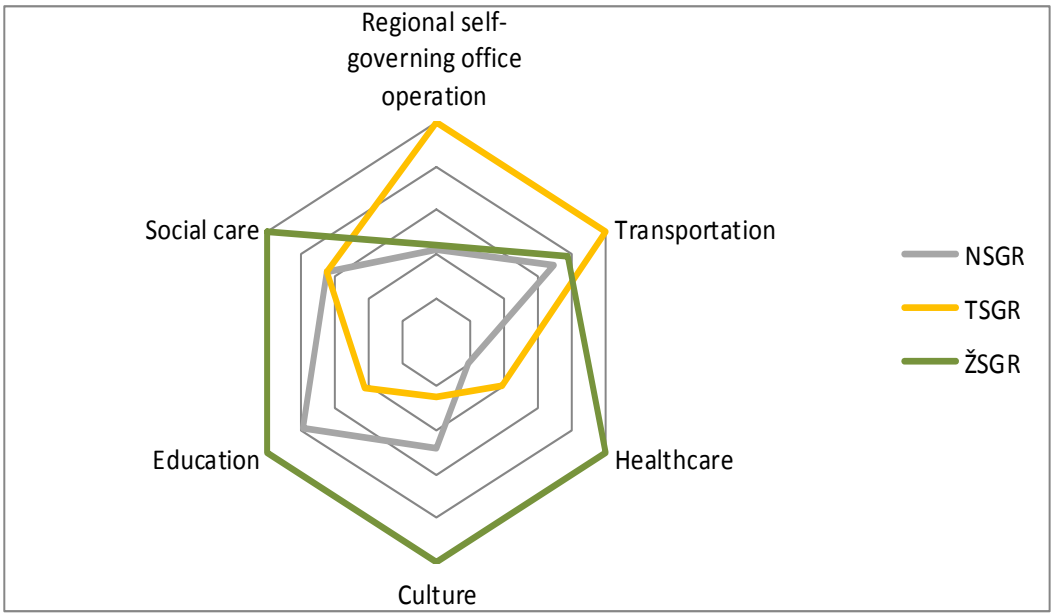

FIGURE 8 - LONG-TERM INVESTMENT ACTIVITIES OF THE INDIVIDUAL SELF-GOVERNING REGIONS

Figure 8 shows the dominance of the ŽSGR in the volume of invested funds into all its budget sections with the exception of the office itself, which is evidence of its lean public management.

4.2 Empirical section –Perception of investment activities by the regional population

Investment activities of self-governing regions take place with the declared intention to effectively serve the needs of their regional populations in the required quality and demand. The empirical research among the regional populations was carried out to contrast the quantitative indicators with the subjective views of their citizens.

Methodology and research sample

The questionnaire used was divided into three thematic areas. Besides the classical identification questions, other questions were focused on the investigation into the satisfaction of the relevant citizens with the management of the regional economy and their perception of long-term investment activities from the point of view of the true volume of funds invested and the populations' priorities.

The questionnaire findings were further processed using descriptive statistics and the statistical method STATISTICA and SPSS 17.0. The parent population included 450 respondents, 150 people for each region, of which 43.56% (196 respondents) were male and 56.44% (254 respondents) were female. As for their ages, 60% were between 18 and 35 years old, 27.8% between 36 and 45 years old and 12.2% at the age between 46 and 67 years old. The majority of the people in the research sample were those with a university degree; 29.8% had attained undergraduate qualifications; 28.2% held graduate degrees, and another 1.1% possessed post-graduate qualifications.

Of the remaining respondents, 29.1% had completed secondary education by passing a school-leaving examination (equivalent to A-levels in Britain), 10.9% had completed school without examination, and finally 0.9% of respondents had only completed primary education. The level of public satisfaction with the regional economy management is shown in Table 3. The respondents rated their satisfaction on the 1 – 5 scale, with 1 meaning "very satisfied" and 5 "very dissatisfied".

TABLE 3 - LEVEL OF PUBLIC SATISFACTION WITH THE REGIONAL ECONOMY MANAGEMENT OF THE SELF-GOVERNING REGION

1	2	3	4	5
11	54	135	170	80

The perception of directing long-term investment into specific sections from the point of view of the regional population was expressed on a five-point scale from "very many" to "no" investments.

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TABLE 4 - LONG-TERM INVESTMENTS FROM THE SUBJECTIVE POINT OF VIEW OF THEIR ALLOCATION/DIRECTION

	Very many	Many	Average	Few	No
Regional self-governing office operation	147	218	68	14	3
Transportation	7	162	152	126	3
Healthcare	0	20	77	276	77
Culture	7	33	175	193	42
Education	6	83	166	170	25
Social care	1	26	194	192	37

The last question of the questionnaire was left to allow the citizens to contribute their own subjective recommendations in terms of the increase of investment activity in the region, expressed on the same five-point scale from "very many" investments to "no" investments into the individual budget sections.

TABLE 5 - LONG-TERM INVESTMENTS FROM THE SUBJECTIVE POINT OF VIEW OF THEIR NECESSARY/DESIRED ALLOCATION/DIRECTION

	Very many	Many	Average	Few	No
Regional self-governing office operation	5	38	201	154	52
Transportation	167	197	83	1	2
Healthcare	267	170	12	0	1
Culture	88	211	135	13	3
Education	194	222	31	0	3
Social care	90	178	175	4	3

Hypothesis 1: It is assumed that there is a correlation between a particular region and the level of its satisfaction with the management of the regional economy.

To prove or disprove the hypothesis a correlation analysis between two quantitative variables was conducted.

TABLE 6 -THE RESULT OF THE CORRELATION ANALYSIS FOR THE REGIONAL POPULATION SATISFACTION IN THE REGION

Variables X & Y	**Correlation** **Correlations become significant at the level p < .05000** **(All cases omitted in ChD)**									
	Average	**Stand. deviat.**	**r(X,Y)**	**t**	**p**	**N**	**Depend. constant: Y**	**Direction of depend.: Y**	**Depend. constant: X**	**Direction of depend.: X**
Level of satisfaction	3.5644	0.9951								
Region	2	0.8174	**-0.31487**	-7.0218	**0**	450	2.9219	-0.2586	4.3311	-0.3833

Legend to the correlation analysis tables: r (X, Y) – a correlation coefficient, t – the significance test for the correlation coefficient, t statistic; p – the probability of error of the first kind, N – the number of measurements, H0: $\rho = 0$ against H1: $\rho \neq 0$; $\alpha = 0.05$

The correlation coefficient was -0.31487, $p = 0$; $p < 0.05$; thus H0 is rejected: there is very little indirect linear dependence between the region and the level of satisfaction of the regional population with the management of the regional economy.

TABLE 7 - THE RESULT OF THE CORRELATION ANALYSIS BETWEEN THE CURRENT AND DESIRED STATES OF INVESTMENT

Variables X & Y	**Correlations are significant at the level p < 0.05**									
Current state – Office	Average	Stand. deviat.	r(X,Y)	t	P	N	Dep. const. Y	Depen. direction Y	Dep. const. X	Depen. direction X
Desired state – Office	1.9067	0.8093								
Current state – Transportation	3.4667	0.8468	**-0.1865**	-4.018	**0.00007**	450	3.8388	-0.1952	2.5246	-0.1783
Desired state - Transportation	2.9022	0.8491								
Current state – Healthcare	1.8311	0.7597	**-0.1016**	-2.161	**0.03115**	450	2.0950	-0.0909	3.1102	-0.1136
Desired state – Healthcare	3.9111	0.7164								
Current state – Culture	1.4400	0.5720	**-0.1326**	-2.832	**0.00483**	450	1.8541	-0.1059	4.1503	-0.1661
Desired state – Culture	3.5111	0.8234								
Current state – Education	2.1822	0.7996	**-0.2433**	-5.308	**0.00000**	450	3.0116	-0.2362	4.0578	-0.25051
Desired state – Education	3.2778	0.8731								
Current state – Social care	1.6578	0.6662	**-0.1693**	-3.636	**0.00031**	450	2.0813	-0.1292	3.6456	-0.2219
Desired state – Social care	3.5289	0.7374								
	2.2267	0.7965	**-0.2084**	-4.509	**0.00001**	450	3.0209	-0.2251	3.9584	-0.1929

(Source: The authors based on the outputs from the STATISTICA program)

Hypothesis 2: It is assumed that there is a statistically significant correlation between the variables of the current and desired states of directing long-term investments.

To prove or disprove the hypothesis a correlation analysis was conducted.

The correlation coefficient was negative in all cases, and the statistical significance is lower than the significance level α as well. Thus, H0 is rejected: there is negative dependence between the current and desired states of directing long-term investments.

Hypothesis 3: It is assumed there are statistically significant differences in how the population in the analysed region perceives the directing of long-term investments into particular budget sections.

The analysis of variance (ANOVA) was used to verify the hypothesis, and when the statistically significant differences were detected, Tukey's test was used as well.

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TABLE 8 - THE ANOVA ANALYSIS FOR THE REGIONAL SELF-GOVERNING OFFICE

		Sum of Squares	df	Mean Square	F	Sig.
Current state of directing investments – Regional self-governing office operation	Between Groups	14.253	2	7.127	11.384	**0**
	Within Groups	279.827	447	0.626		
	Total	294.08	449			

(Source: The authors based on the outputs of the SPSS 17.0 program)

Legend to the ANOVA tables: Sum of squares – the sum of values, df – degrees of freedom, Mean Square – the average, F – statistic, H0: $\mu1 = \mu2 = \mu3$ against H1: $\mu1 \neq \mu2 \neq \mu3$; $\alpha = 0.05$;

In the analysis of variance current long-term investment activities were investigated in the region directed into the regional self-governing office from the point of view of the regional population. Since $p < \alpha$, H0 must be rejected: in the subjective view of the citizens in the region there is a statistically significant difference between the current long-term investment activities directed into the regional office in the region. The ANOVA analysis was followed by Tukey's test, which is used to in conjunction with an ANOVA to find means that are significantly different from each other.

TABLE 9 - TUKEY'S HSD TEST FOR THE SECTION OF REGIONAL SELF-GOVERNING OFFICE OPERATION

Region		Subset for alpha = 0.05	
	N	1	2
NSGR	150	1,74	
TSGR	150	1,83	
ŽSGR	150		2,15

(Source: The authors based on the outputs from the SPSS 17.0 program)

Tukey's test shows that there is no statistically significant difference between the NSGR (1.74) and TSGR (1.83); however, there are differences in the perception of the regional population in the Žilina and Nitra Self-Governing Regions, and the Žilina and Trenčín Self-Governing Regions.

TABLE 10 - THE ANOVA ANALYSIS FOR THE SECTION OF TRANSPORTATION

		Sum of Squares	Df	Mean Square	F	Sig.
Current state of directing investments in the view of the regional population – Transportation	Between Groups	11.018	2	5.509	7.875	0
	Within Groups	312.68	447	0.7		
	Total	323.698	449			

(Source: The authors based on the outputs from the SPSS 17.0 program)

As $p < \alpha$, H0 is rejected, there is a statistically significant difference in the perception of investments in the regional transportation between the regions.

TABLE 11 - TUKEY'S HSD TEST FOR THE SECTION OF TRANSPORTATION

Region		Subset for alpha = 0.05	
	N	1	2
TSGR	150	2.69	
NSGR	150		2.97
ŽSGR	150		3.05

(Source: The authors based on the outputs from the SPSS 17.0 program)

Tukey's test shows that there is no difference in the views of the citizens living in the NSGR (2.97) and TSGR (3.05); nevertheless, there are differences between the ŽSGR and NSGR, and between the ŽSGR and TSGR. In the Trenčín Self-Governing Region the score was 2.69: its respondents think there was too much finance invested in regional transportation.

TABLE 12 - THE ANOVA ANALYSIS FOR THE SECTION OF HEALTHCARE

		Sum of Squares	Df	Mean Square	F	Sig.
Current state of directing investments in the view of the regional population – Healthcare	Between Groups	16.591	2	8.296	17.34	0
	Within Groups	213.853	447	0.478		
	Total	230.444	449			

(Source: The authors based on the outputs from the SPSS 17.0 program)

Similarly, $p < \alpha$, thus H0 is rejected: there is a statistically significant difference in the perception of the regional population of the investments being directed into regional healthcare between the regions.

TABLE 13 - TUKEY'S HSD TEST FOR THE SECTION OF TRANSPORTATION

Region		Subset for alpha = 0.05	
	N	1	2
ŽSGR	150	3,64	
NSK	150		4,03
TSK	150		4,06

(Source: The authors based on the outputs from the SPSS 17.0 program)

Tukey's test does not reject the consistency in the perception of the investments in healthcare by the inhabitants in the NSGR (4.03) and TSGR (4.06). Again, there is a statistically significant difference in the relationship to the ŽSGR (3.64).

TABLE 14 - THE ANOVA ANALYSIS FOR THE SECTION OF CULTURE

		Sum of Squares	Df	Mean Square	F	Sig.
Current state of directing investments in the view of the regional population – Culture	Between Groups	1.364	2	0.682	1.006	0.366
	Within Groups	303.08	447	0.678		
	Total	304.444	449			

(Source: The authors based on the outputs from the SPSS 17.0 program)

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The value p=0.366 > α; thus H0 cannot be rejected. The perception in all three regions is consistent.

TABLE 15 - THE ANOVA ANALYSIS FOR THE SECTION OF EDUCATION

		Sum of Squares	Df	Mean Square	F	Sig.
Current state of directing investments in the view of the regional population – Education	Between Groups	27.071	2	13.536	19.195	0
	Within Groups	315.207	447	0.705		
	Total	342.278	449			

(Source: The authors based on the outputs from the SPSS 17.0 program)

The value p=0 < α., therefore, H0 is rejected.

TABLE 16 - TUKEY'S HSD TEST FOR THE SECTION OF EDUCATION

Region		Subset for alpha = 0.05		
	N	1	2	3
NSGR	150	2.99		
ŽSGR	150		3.26	
TSGR	150			3.59

(Source: The authors based on the outputs from the SPSS 17.0 program)

Tukey's test shows differences for the educational budget section. The inhabitants of the NSGR regarded these investments as sufficient (2.99), whereas the inhabitants of the ŽSGR are more demanding (3.26), and those living in the TSGR (3.59) considered the investments to be insufficient.

TABLE 17 - THE ANOVA ANALYSIS FOR THE SECTION OF SOCIAL CARE

		Sum of Squares	Df	Mean Square	F	Sig.
Current state of directing investments in the view of the regional population – Social care	Between Groups	0.484	2	0.242	0.444	0.641
	Within Groups	243.64	447	0.545		
	Total	244.124	449			

(Source: The authors based on the outputs from the SPSS 17.0 program)

The value p=0.6410 > α; thus, H0 is not rejected. Regarding regional social care, the perception of all inhabitants of the three regions is the same: they believe the volume of funds invested in their regional social care is rather low.

5. CONCLUSIONS

The indicators of GDP per capita, its growth rate, the unemployment rate, and the average monthly income incorporated into the composite index of economic performance served to compare the performance of some selected regions in the Slovak Republic. When the situation in regions is

comparable, it is possible to investigate the differences in the management of investments. The comparative analysis, which was conducted during a nine-year period with respect to the volume of long-term investments in specific budget sections, such as regional self-governing office operations, transportation, healthcare, culture, education and social care, clearly identified the Žilina Self-Governing Region as the most active region (with a score of 87.01), followed by the Trenčín Self-Governing Region (61.87 points), and the Nitra Self-Governing Region (56.62 points). The empirical section of the article contained a questionnaire survey carried out among the populations of the analysed regions intended to map their opinions on long-term investment activities. It was shown that there is only very slight negative linear dependence between the level of satisfaction of the citizens and the management of each regional economy. Very low indirect dependence exists between the current and desired states of directing long-term investments in the view of each regional population. The ANOVA confirmed interregional differences in the sections of self-governing office operations, transportation, healthcare, and education.

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