Balance of Rural and Urban Structures

Ehrenstorfer Barbara, Peherstorfer Tanja, and Nový Jan

Abstract—Urbanization and regionalization are two different approaches when it comes to economical structures and development, infrastructure and mobility, quality of life and living, education, social cohesion and many other topics. At first glance, the structures associated with urbanization and regionalization seems to be contradicting. This paper discusses possibilities of transfer and cooperation between rural and urban structures. An empirical investigation contributed to reveal scenarios of supposable forms of exchange and cooperation of remote rural areas and big cities.

Keywords—Learning Regions, Quality of Life and Living, Regional and Rural Development, Social Innovation.

I. INTRODUCTION

A COMPREHENSIVE cross-border empirical investigation has been carried out in the framework of an intercultural European Union Project (the Czech Republic/Austria) in the border regions of South Bohemia and Northern Austria. The survey was conducted in order to explore the regional requirements in terms of Working & Living in the region.

The project ‘RegioTalent’ focuses on the human capital as the most important resource of a region, regardless if it is a rural or urban region. We suppose that focusing on the human factor (talent) is a condition precedent to further develop a region.

By definition, rural areas are “those parts of the space economy which are least affected by the process of urbanization, and are therefore more associated with a much more dispersed pattern of population distribution and economic activity” [1]. Grimes (2000) states, that according to empirical evidence, higher levels of economic development are associated with urban centres, and that the spatial structure of the urban system reflects the spatial pattern of economic opportunities, with greater access to opportunities being concentrated in the more urbanized areas [1].

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Besides, we base our paper on the concept of Learning Region by Richard Florida [2] describing that, “learning regions function as collectors and repositories of knowledge and ideas, and provide the underlying environment or infrastructure which facilitates the flow of knowledge, ideas and learning”. Moreover Richard Florida predicted in 1995, that “regions are becoming more important modes of economic and technological organization on a global scale” [2].

Thus, we are asking: How can urban and rural areas learn from each other? Both urban and remote rural regions have certain capabilities and structures attracting talents and economic opportunities. Is it possible to keep the balance between urban and rural regions concerning social capital, talents and creativity, employment and economic activities?

This paper follows the leading key questions:
- What can big cities/metropolises learn from rural regions and in turn, what can rural regions learn from big cities and urban areas?
- How can the quality of life and living be increased in cities, taking the example of rural regions?
- How can a balance be achieved between urban and rural areas in terms of quality of living and working?

II. THEORETICAL BACKGROUND AND APPROACH

A. Outline

The original aim of the project ‘RegioTalent’ was to increase the quality of living, especially in the regions of Northern Austria and South Bohemia. The condition precedent to realise such an intention is to know about the criteria of ‘good life’.

According to Diener et al. ‘Subjective Well-being’ (SWB) is “one of three major ways to assess the quality of life of societies, along with economic and social indicators”[3]. Bearing this theory in mind, the project ‘RegioTalent’ focused on the following two main aspects:
- Subjective Well-being – What makes you happy?
- Economic Indicators – How do you evaluate the situation in the region? Focusing on regional development issues, especially the situation concerning job opportunities and available infrastructure.

Social indicators, as a third parameter of subjective well-being, have not been ignored in the empirical studies of the project ‘RegioTalent’ but they were included in the subjective well-being part of the survey. Regarding social indicators, the main focus lies on the aspects of social capital. Social capital in terms of bridging (openness and a focus on external relations) and bonding (feeling of security, personal network, and focus on internal connections) as well as reflecting the sum of interpersonal relations [4]. The assumption, that
positive social relationships are a condition to happiness, is confirmed by Diener [5].

Subjective well-being and economic issues cannot be seen as autonomous indicators but as two system elements which are mutually dependent. The project ‘RegioTalent’ focuses especially on the economic indicator of working, which is considered to play a major role in terms of life satisfaction, creativity and innovation, as well as for personal development. It is not only income which identifies work as a relevant economic indicator. According to Schumacher [6] and Bergmann [7], the job gives us the opportunity to use our talents, to connect with each other and to find spirit and purpose in our work. Or as Maslow et al. put it “The only happy people I know are the ones who are working well at something they consider important.”[8].

B. Meaning in an Urban Context – Social Cohesion

A high social capital, including well-established social networks, does not only make us happy but is a pre-condition for (regional) development. In this context, the extent of identification with a certain area or region plays an important role. The realization of initiatives or projects which aim at further development of a region, and the people living there, supposes motivation, identification, efficient networks, and a certain amount of voluntary work. If one trusts the concepts of the ‘post-growth society’ a stronger interaction of gainful employment combined with voluntary or family work [9] defines the future of work, thus the future of (regional) development.

Regarding the urban structures, the question of how this form of social cohesion can be established in cities, is aroused. The anonymity, which often characterises urban areas, may not be a good pre-condition for developing those social links. The ‘clustering force’ of Richard Florida considers the network aspect from an economic point of view: “In today’s creative economy, the real source of economic growth comes from the clustering and concentration of talented and productive people” [10]. At this point, it is not clear to which extent ‘clustering’ considers the importance of social cohesion within one cluster respectively between them.

![Diagram of social cohesion (bonding) as pre-condition for cooperation](Source: own illustration)

This project assumes that the potential of a region, rural as well as urban, is not only defined by the number of talented people (inhabitants) but their willingness to cooperate and to establish the necessary social relationships, thus a high social capital. In this context, we mainly refer to the ‘bonding’ aspect, in terms of linking individuals or groups and establishing a kind of cohesiveness in order to achieve a collective goal. The small and flexible structures in rural regions (small enterprises) support the development of such tight connections between individuals and groups. The establishment of this kind of social cohesion is something urban areas can learn from rural ones.

C. Talent & Creativity & Cooperation

What results from the cooperation of people depends a lot on the people themselves and how they apply their resource ‘talent’ [11, p.29]. According to Richard Florida, talent, innovation, and creativity are today’s key economic factors. Moreover, Florida assumes that they concentrate in specific locations [10, p.9].

Considering the results of the qualitative survey within the project ‘RegioTalent’, some single communities have been identified which are characterized by a lot of initiatives and creative projects. In this context, the question about the specific talents within these areas is (communities) aroused. The wide qualitative survey, including 90 respondents, gave the research team the possibility to get a first feeling, as to what might be the difference between those communities. Of course, it is very difficult to prove this statement with concrete facts and figures, as the identified specific is not really measurable. It is the talent factor in terms of openness, creativity, intrinsic motivation, and the willingness to cooperate in order to realize a common aim. Thus, it is not only the professional background which enables development but the intrinsic desire for shaping their own future.

When we are confronted with problems concerning personal growth or decisions which have a major impact on our future, another parameter has to be considered - the effect of positive emotions. According to the ‘broad-and-built’ theory of Barbara Fredrickson “[…] positive emotions can lead to the discovery of novel ideas, actions and social bonds” [12]. The importance of positive emotions in terms of creativity combined with the results of ‘RegioTalent’, show us that there is a close relationship between subjective well-being and working. “[…] happiness does not come from mindless passivity but from engagement in mindful challenge. […] Thus involvement in interesting activities are including engaging work is a major source of well-being” [13]. The spirit and sense of one’s activities, a job which we absolutely want to have is better than any kind of therapy, according to Bergmann [7, p. 11].

According to Richard Florida, it is the clustering of talents which makes cities and regions to “engines of economic growth” [10, p. 9] and attracts enterprises to follow these clusters, wherever they are. Assuming that not only employees follow enterprises but enterprises follow employees, this theory probably has a big influence on the urban and spatial planning. If we consider the situation in the regions of Northern Austria and South Bohemia, there are a lot of talented people who live in the region but do not work there,
because of the mentioned job situation. Regarding the strengths of the region, like high quality of living, strong social networks, talented people, and a distinctive feeling of belonging, it may be interesting for enterprises from the urban area to think about following those talents.

This does not mean to just change the direction of the commuter streams (from cities to the region), but to think about new forms of cooperation between urban and rural actors. This exchange can be in the form of enterprises which ‘follow’ talents into the regions, or in a more individual way - i.e. single talents (knowledge) from the urban area are integrated in rural cooperation (‘talent network’) or vice versa. This exchange should train openness, creativity, and widen the scope of action.

In this context, the special focus lies on the ‘bridging’ aspect of social capital. Linking actors or groups from the rural and the urban area may provide new opportunities for cooperation and even innovation. According to Adler [4], the benefits of social capital result from three sources: opportunity, motivation, and ability [4]. The opportunity is to use the resources (i.e. information, knowledge) of the social network, the motivation is to go beyond the egocentric focus to a more collective feeling, and the ability is to widen one’s scope of action using the abilities (competences and resources) of the network’s nodes.

Therefore, regions should no longer act as ‘poor’ regions trying to be more urban, but to use their advantages and to combine them with the strength of the urban area. Urban as well as rural areas should regard themselves as special nodes within one social network. These network nodes can appear in the form of individuals, associations or groups, informal working cooperation, or enterprises, and so forth. These nodes should try to take advantage of the benefits of social capital respectively the social network, like broader sources of information, the strength to achieve ambitious goals, or the solidarity which is the pre-condition for successful cooperation [4]. Regarding urban and rural areas as two nodes in one social system they may hold a lot of possibilities to learn and benefit from each other.

III. PURPOSE AND AIM OF EMPIRICAL STUDY

The empirical investigation is aimed to get insight into the real-life situation in the border region of Northern Austria and South Bohemia in terms of the assessment of quality of life, the working situation and cross-border cooperation.

The overall aim of the research is to develop and create an index for the quality of life. The research questions are:

1. What makes life livable? – factors of the quality of living and subjective well-being
2. What makes people stay in a specific area?
3. What are the requirements of people in the future regarding living and working?
4. What are approaches for cross-border cooperation of regional units/areas?

IV. METHODOLOGY AND EMPIRICAL RESEARCH DESIGN

In order to answer the research questions seeking a holistic in-depth understanding of social reality of the explorative-descriptive nature of the investigated issue, a qualitative approach as a first step of a comprehensive research design, including a quantitative study, has been chosen [14]. As a qualitative research approach is theory elaborating/evolving, inductive, interpretative and holistic [15], the aim was to build propositions and hypotheses, which will be tested in a quantitative investigation in order to gain representativeness.

The methodology and empirical research design is characterized by a methodological mix and triangulation, namely data triangulation (use of a variety of sources: data is derived from face to face interviews and focus groups), investigator triangulation (involvement of different researchers in data collection, analysis and interpretation) and methodological triangulation (mixed methods approach using MAXQDA and in the next step combining the qualitative study with a broad quantitative study in Austria and the Czech Republic).

In addition, for the preliminary recognition of preferences frameworks the “Q-Method” [16] was used in the setting of a workshop. This method enables an objective and systematic study of subjective phenomena (attitudes, opinions, meanings) and it enables analyzing through quantitative methods. Because the Q-method respects the subjectivity of the respondents (participants) its purpose is to explore the diversity of attitudes. The Q-method applies the specific procedure for the classification of statements to the point scale, which, unlike the semantic differential, allows statements to assess comprehensively. We used the sort of statements into the correlation matrix which are collected from participants – representatives of talents, employment offices and agencies, public administration and local action groups from both cross-border regions.

A. Data Collection

All in all, 58 in-depth semi-structured face-to face interviews were conducted in the cross-border region of Northern Austria and South Bohemia. The target groups were
the same in Austria and the Czech Republic, namely inhabitants of the regions, companies in the regions, young people (talents) and representatives of the regions (mayors) in order to combine different perspectives/views on the cross-border region.

Moreover, two focus groups (each one in Austria and the Czech Republic) with pupils and students (talents) were conducted to emphasize the needs and requirements of young people in both countries. Methods used during the focus groups were the World-Café-Technique Fish-Bowl-Technique, the Walt Disney Strategy and discussions.

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**Table 1: Description of respondents in Austria and the Czech Republic**

<table>
<thead>
<tr>
<th>Target Groups / Respondents</th>
<th>AUSTRIA</th>
<th>CZECH REPUBLIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Face-to-face interviews</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurs (SME`s up to large-scale, sectors involved: information systems and engineering, metal, handicraft, production of textile, windows)</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Talents (pupils, students, apprentices, employees, artists)</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>Inhabitants of Northern Austria</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Representatives of the region Northern Austria</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total Respondents</strong></td>
<td>46</td>
<td>44</td>
</tr>
</tbody>
</table>

**Fig. 3** Description of respondents in Austria and the Czech Republic (Source: own illustration)

We speak of ‘talents’ in terms of qualified employees or graduates, high potentials with creative minds, who are motivated to make efforts for the region and seek for advancements and transformation.

**B. Sample Determination and Selection of Respondents**

The participants were selected by using a purposeful sampling strategy [17], [14]. Selection criteria were mainly the regional condition, meaning that the respondents are either living or working in the rural region of Northern Austria or South Bohemia or living in the rural region, but working in urban areas, commuting there. In any case, there had to be a certain factor of bonding to the rural areas. To maximize information-richness, the selection was done with regard to a best possible plurality regarding age, gender and occupational categories. The interviewees were selected through the use of personal references of peers and according to their regional belonging to the analysed region.

The interviews were conducted in a personal face-to-face setting following an interview guideline covering the core issues:

1. Assessment of the quality of living and factors of subjective well-being (quality of life index)
2. Infrastructure, transport and mobility requirements
3. Social cohesion and social capital
4. Assessment of working conditions
5. Working and living in the future – wishes and visions, new forms of working
6. Polarity of urban and rural regions (differences, advantages and disadvantages), what makes life livable in rural and urban areas?
7. Regional economy and consuming patterns – sustainability
8. Status – quo of the cross-border cooperation Austria – the Czech Republic

**C. Data Processing and Sample Determination**

The data processing was supported with the software MAXQDA for qualitative data and content analysis [18], [19]. Data analysis was based on the written transcriptions from the interviews and the audio records of the focus groups and followed the methodological approach of the qualitative content analysis introduced by Mayring [20]. Transcripts and field notes were coded in line with qualitative research guidelines according to Mayring [20]. Besides, due to the large number of respondents for a qualitative survey, the mixed methods approach within the MAXQDA software analysis tool was used. Therefore, the results and findings gain a higher explanatory power and value.

**V. MAIN EMPIRICAL FINDINGS AND DISCUSSION**

This section presents the findings of the fieldwork study. In terms of investigator triangulation, data analysis and interpretation were performed jointly by the research team. Furthermore, the strategic partners of the project ‘RegioTalent’ (labour market services, regional management agencies and economic chambers in Austria and the Czech Republic) project have been involved for interpreting and verifying the data for each of the cross-border regions.

**A. Creativity and Innovation**

The research discovered that there is a high potential of creativity and innovation in the cross-border region of Northern Austria and South Bohemia. Interests, skills and competencies are manifold and are in the wide range of the areas of sport, music and culture, language skills, agriculture, science, engineering and entrepreneurship. One more finding is that creativity requires a climate of appreciation, respect and acceptance. Thus, talents need a climate of tolerance, openness and acceptance and also structures (infrastructure and education) fostering them in order to unfold their potential and use it in and for the region.

Therefore, the most crucial challenge for the region is to hold and bond with the potentials having creativity because they are able to foster social and regional innovation. In order to do so, on the one hand the region has to offer basic needs like adequate habitation and childcare possibility, infrastructure including high quality public transport systems, high speed internet, cultural events and a broad range of...
gastronomy and meeting locations to enable them to establish contacts and networks. On the other hand, the region has to meet the requirements of the talents in terms of mobility and education, and training in the region in particular, because these have been detected as major factors for bonding young and qualified people and talents in the region.

**B. The Quality of Life and Living**

The findings of the fieldwork study concerning the quality of living in Austria show a positive picture, meaning that people like to live in their region and assess their quality of living as high.

The most influencing factors of the quality of living in Austria are 1. nature and peacefulness in the countryside, 2. family and social contacts and networks, 3. (regional) working situation and 4. infrastructure and habitation.

**C. Social Capital**

Certain aspects of the concept of Social Capital have been investigated, namely belonging to social groups and networks, voluntary engagement, social contacts and trust. Theories state, that the amount of social capital has an impact on the perception of the quality of living. The more voluntary engagement in a region, the better the quality of life and the economic power of a region is.

A remarkable finding is the strong feeling of belonging of inhabitants and a high identification with the region as well as a high level of voluntary engagement in regional associations. The social capital is a distinctive factor in Northern Austria as well as in South Bohemia, where as well the people report that living together works very well. Social cohesion, solidarity and activities in regional associations or clubs are essential parts of their quality of living.

**D. Employment and Work**

The main result from the Austrian data is that regional work is a major factor of the subjective perception of the quality of living and thereby the quality of work (challenging content, career opportunities, training and qualification and remuneration) is important. Another important result is that the term “work” has to be reconsidered and new concepts and forms of work will be required in order to meet the challenges of the future, e.g. tele-working, life-cycle-oriented work models allow more flexibility and self-determination. The working situation in Northern Austria is characterized by certain issues discussed intensively during the field work. Challenges are the lack of skilled workers and apprentices and a lack of adequate working possibilities for young and qualified persons and a high rate of commuters. From the South Bohemian point of view the above mentioned issues are also true as well as a low wage level and reduction of public and social services affecting the people in the region. Additionally, the necessary construction of infrastructure and buildings is an issue in the Czech border region.

Derived from the qualitative data, talent management and employer branding is of high importance in particular in remote rural areas. There are special conditions for entrepreneurship in rural regions as they seek for skilled and specialized labour force. One main advantage of firms in rural areas is that they use small and medium sized structures and thereby foster trust in their customers. This is a point, firms/enterprises/companies in urban areas can learn from firms/enterprises/companies in rural areas in the framework of the information society, where anonymity in business is usual. Furthermore, firms in urban areas could take certain strategies concerning talent management and employer branding as a positive example and a tool to attract talents and the creative class.

According to Mandhanya and Shah [21], ‘Talent Management refers to the process of developing and integrating new workers, developing and keeping current workers and attracting highly skilled workers for company’.

The definition of ‘Employer Branding’ by Backhaus and Tikoo is: “Employer branding is the effort of attracting potential employees, retaining current employees and communicating the employer brand internally as well as externally. Employer branding makes it possible to differentiate from competitors and to win the war for the scarce resource called talent.” [22]

To sum up, according to our study, regional work is regarded as crucial when it comes to the perception and assessment of the quality of living. Indeed, regional work (meaning that people work in the immediate circumference of the place where they live) is one of the three main factors of the quality of living observed in our study. Moreover, commuting is regarded as a negative criterion concerning the perception of the quality of living. Thus, commuting rates can be decreased by fostering regional work opportunities. New forms of working and innovative approaches towards work and entrepreneurship have to be considered in both rural and urban regions in the future.

**E. The baseline situation in the Czech Part of the Region of Interest**

The residents of the Czech border region highly valued the state of the environment, nature and landscape.

Those values are in their value chain (in the choice between migrating for better working conditions and remaining in the region) and seem to have a higher priority than the average wage, which in this region are among the lowest. Why? - Because they live and work in this region. Those residents also prefer (as elsewhere) job security, well-paid work and independence. Although they welcome more jobs opportunities and higher wages, they see a future in the region's higher economic self-sufficiency. None of the respondents mentioned the need to build industrial enterprises and zones, but it was referred to as a request to enhance the development of services and regional production.

Unfortunately, the current situation of the market with regional products in South Bohemia region is dismal. Although the regional brands have been to be used in the last seven years, their formation process is very spontaneous. At present, regional brands exist side by side with the brand name: ‘regional product’, ‘original product’, ‘regional brand’. Their content and their allocation rules are not
uniform, although it was a national association of promoting the regional product labelling established. The definition of each brand region is also spontaneous and non-coordinated; only some of regional brands are based on the historical and geographical definition of territory. Many "branded regions" are defined only by the fact that some villages were proactively associated with the "micro-regions" for the use of subsidies from the Leader program. Currently, there are two regional brands in the Association of Regional Brands which have been registered in South Bohemia and two brands have been identified outside this framework. The current individual catalogues of these brands are very sparse, with the quantity of products offered ranging only between 18 and 68 (for comparison: in the South Bohemia region lives as to 31/3/2012) 636,118 residents). There are dominating bakery and textile production, products of agriculture, while fisheries and forestry are mentioned very rarely. From the range of services on offer, there are only restaurant and accommodation services. This is very different reality from the reality on the other side of the border, in the Austrian border regions.

VI. IMPACT FOR URBAN PLANNING AND SPATIAL DEVELOPMENT

What can these empirical findings contribute to the further development of regions?

We intend to present some recommendations for urban design and spatial planning. Spatial structures and processes in urban areas should consider the need for high quality environment and nature, because this is a major determinant of subjective well-being.

On the basis of the findings, it is suggested to focus on fostering social cohesion and social capital in cities, meaning fostering small structures supporting each other. Moreover, the establishment of local structures and the active membership in associations, clubs and communities would strengthen the feeling of belonging and identification, even in a big city.

The prerequisite for being able to build these small units is a supporting infrastructure.

Urban planning and spatial planning is forced to offer the basic requirements and structures for social interaction and communication possibilities, e.g. clubs and associations in particular for young people – fostering social cohesion in cities resulting in maybe more safety and less crime.

According to the approach of Richard Florida [10], that enterprises follow employees, there is a possibility for entrepreneurship and start up to choose the location of the company regardless of urban or rural areas, but with respect to education, infrastructure and mobility.

Moreover, this approach in combination with the finding that new models and forms of work have to be applied in practice, entrepreneurship and employees will face new possibilities. In order to be present and competitive in the war for talent, employer branding strategies become more important. Especially, employer branding activities firms are using and succeeding in remote regions - such as word of mouth, open house and so on - will be up-and-coming for urban areas too.

Coming back to the initial question, if globalization and regionalization are oppositional, it can be stated, that regionalization and globalization complete one another. It is significant to have the view of globalization trends and effects in mind and in addition to focus on regional and local strategies and actions supplementary. Probably, local actions are the future, because human being is the focus, in particular when it comes to subjective well being and quality of living and working.

VII. LIMITATIONS AND FURTHER RESEARCH

The research findings are restricted to a certain kind of region, namely the middle European area of Northern Austria and the Czech Republic. Obviously, the results from the qualitative research are not representative of a population. According to Brymann [23] instead, the findings of qualitative research are to generalize the theory rather than the populations. It is the quality of the theoretical inferences that are made out of qualitative data that is crucial to the assessment of generalization [23]. This view of generalization is called “analytical generalisation” by Yin [24].

Further research concerning the assessment of the quality of life is applied at the moment in the form of a quantitative investigation in the region of Northern Austria and South Bohemia. Furthermore, a life quality index will be developed, which is created to apply for more regions. Therefore, a further regional expansion and application is aimed.

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