PROMOTING SOCIO-ECONOMIC DEVELOPMENT THROUGH PUBLIC ENTREPRENEURSHIP: A CONCEPTUAL PERSPECTIVE

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Abstract
This article analyses the principles, practices and advantages of entrepreneurship and how it can be used as a catalyst strategy for effective and efficient service delivery in the public service as a key factor for socio-economic development. Through an exploratory research methodology consisting of a literature review on entrepreneurship, the article hypothesises that entrepreneurship is one of the best ways of resolving the service delivery dilemmas thus transforming the public sector into a pool of competitive and productive enterprises that facilitate socio-economic development the same way it motivates productivity and success in the private sector.

Keywords: Entrepreneur; Public Entrepreneurship; Public Sector; Service Delivery; Socio-Economic Development.

1. Introduction

“The basic confrontation which seemed to be colonialism versus anti-colonialism, indeed capitalism versus socialism, is already losing its importance. What matters today, the issue which blocks the horizon, is the need for a redistribution of wealth. Humanity will have to address this question, no matter how devastating the consequences may be”. (Fanon 1961, XVII).

This appeal of a great thinker, reminds how critical he was of the colonial system but also of the post-colonial era. Fanon was afraid that, after attaining independence, liberation movements and the elite could undermine their own liberation because of either ignorance or/and greed. This fear is a reality in many countries where the redistribution of wealth by
public entities is hypothetical. Who are to blame? What happened to principles and strategies emphasising wellbeing and enhancement of social and economic conditions such as South African’s “People shall share in the country’s wealth”; Tanzania’s “Ujamaa” and Mahatma Ghandi’s “Sandeshv” and “Sarvodaya” principles?

Improving efficiency and effectiveness in the public sector is a noble task (Fox 2002). Or, most African countries still experience persistent service delivery problems, calling urgently for alternatives. Although the lack of financial and material resources contributes greatly to poverty and under-development, common factors relating to people such as corruption, lack of leadership and skills, no public participation, no feasible vision and plans, contribute to the weakness of public sector entities in delivering service to promote socio-economic development.

Collins (2001, 13) warns that setting a new vision and strategy is important for the success of any company, yet great vision is irrelevant without great people. He advises that: “People are not your most important asset. The right people are”. Good-to-great leaders first got the right people on the bus, the wrong people off the bus, and the right people in the right seats - and then they figured out where to drive it.” It is against such background that this article considers business-led management strategies stressing leadership as a way of succeeding in service delivery subsequent to socio-economic development.

In the current prevailing capitalist market economy, the private sector endeavours to satisfy the needs of the society in order to improve its standards of living. Competition, creativity, innovation are strategies that make business companies prosper. If entrepreneurship is what makes the private sector to succeed, then using such strategy can be one of the best ways of resolving the service delivery dilemma thus transforming the public sector into a pool of competitive enterprises that promote socio-economic development. Naude (2013) argues that entrepreneurship is beneficial for economic growth and development; it has been remarkably resurgent over the past three decades in countries that achieved substantial poverty reduction, such as in China and donors and international development agencies have turned to entrepreneurship to improve the effectiveness and sustainability of aid. However, it is cautious that qualifying entrepreneurship as key factor in promoting and contributing to the development of countries such as China and the East Asian Tigers is contentious and whether and why private sector development initiatives may be effective is not well understood (Naude (2013).

Introducing entrepreneurship in public sector is therefore difficult for two reasons, the dissimilarities between the public and private sectors and the lack of research and/or good practices. Koch (1996) argues that contemporary research has not solved the dilemma of introducing entrepreneurship in the public sector. Wanna, Forster & Graham (1996) consider entrepreneurship as a “leading force of public management reform”. They, however, question the veracity of assumptions from anecdotal research and abstracts that entrepreneurship can be applied to the public sector and whether public entrepreneurship must be managed differently. Service excellence by public sector entities should therefore include exceeding people’s expectations by delivering promised goods and services and dealing with any problems and queries arising thereof (Johnston & Clark 2008).

This article is comprised of six sections. The two first sections introduce the research and define the key concepts to support the use of entrepreneurship in the public sector. The
third section discusses public management and entrepreneurship research to justify how to stimulate entrepreneurship in the public sector. The fourth section reviews the literature on public management and entrepreneurship. The advantages and disadvantages; qualities and related skills; perspectives and the practices of entrepreneurship are debated to support the stimulation of entrepreneurship in the public sector. The fifth section contains the lessons from the literature review on associating entrepreneurship with service delivery in the public sector. The last section includes the confusion and crucial questions for further research.

2. Entrepreneurship and socio-economic development

Defining the concepts “entrepreneurship” “entrepreneur” and “socio-economic development” is a very complex task. This article considers definitions that best link entrepreneurship to social and economic development.

2.1 Entrepreneurship

Lambing & Kuehl (1997) refer to Peter Drucker who considers entrepreneurship as a difficult question to answer. Every researcher and author in the field of entrepreneurship associates the concept to a certain topic or phenomenon. Wickham (2001) refers to entrepreneurship as a technical term in management and economy (the focus of this article) the same way Burns (2013) considers an entrepreneurial revolution whereby entrepreneurs deal and cope with turbulences caused by opportunities and austersities. Lambing & Kuehl (1997) highlight opportunity as a factor of entrepreneurship the same as Kuratko (2009) who dwells into the application of entrepreneurship in practice to challenge the unknown. Most authors define “entrepreneurship” via “entrepreneur” and vice-versa (Wickham 2001; Blundel & Lockett 2011; Davidsson 2004; and Kuratko 2009).

The concept “Entrepreneurship” (deriving from entrepreneur) originates from the French word “entreprendre” meaning “to go between” (Wylie 2003:1), or to “undertake” something (Kuratko 2009). It is the act of creating something out of nothing (Ndedi 2004). Blundel & Lockett (2011) associate entrepreneurship with innovation and change, which can be a social or an economic change. Wichkam (2001, 2) is more specific that entrepreneurship is a style of management aiming at pursuing opportunity and driving change.

2.2 Entrepreneur

There are many definitions and explanations of an entrepreneur. A socio-economic development entrepreneur could be someone with an entrepreneurship mind-set, seeking opportunities; taking risks beyond security and having the tenacity to push an idea through to reality. For Blundel & Locket (2011, 6) an entrepreneur creates social values associated with successful social enterprises. For Shefsky (1994, 4), an entrepreneur is someone who enters a business – any business – in time to form or change substantially that business’s nerve center. This definition applies very well to public entrepreneurship for socio-economic development. The business this article refers to is the management of the public sector; the time or change
needed is to reverse the current socio-economic crises in the way public goods and services are provided and the nerve center is the aspired socio-economic development.

2.3 Socio-economic development

The causal relationship between entrepreneurship and socio-economic development is difficult to establish without clarifying what socio-economic development means and what is the role to be played by the entrepreneur.

Socio-economic development is the combination of social development (linked to people) with economic development (linked to things) or the core of development in essence (human development). Socio-economic development refers therefore to development in general in this article. There are different types of fields and development indicators when measuring socio-economic indicators. Mohr (2008) emphasises the shift towards social and human development indicators. The author considers key field such as health and demography (with infant mortality, life expectancy at birth as indicators); nutrition (animal consumption protein as indicator); education (number of literate people as indicator); housing and urbanisation (access to housing and water as indicator); transport; communications; industry (consumption of steel as indicator); GDP per capita and Employment (wage, economically active population as indicators). Most of these fields and indicators are provided or at least regulated by the government. Thus, service provision has a critical impact on socio-economic development as emphasised by this article.

The role to be played by the entrepreneur in fostering socio-economic development is critical. The link between the entrepreneur and the socio-economic process depends then on what Naude (2013) refers to as “grand ideas of development”.

The first grand idea of Naude (2013, 3-4) is that development requires a structural transformation of what, how and where production and consumption takes place: from low-value added, low productivity and rural-based activities to more productive, higher value added activities in services and manufacturing located in cities. The second grand idea is that development is a multi-dimensional concept that requires more than just the eradication of income poverty. The third is the idea that market failures are prevalent and that the state has an important coordinating and regulatory role to play in development. It is clear that, the above definitions and explanations of entrepreneurship and entrepreneurs justify the key role that can be played by an entrepreneur in facilitating socio-economic development.

3. Methodology

Entrepreneurship is a complex concept that raises many questions on what it should be than answers on what it is. Blundel & Lockett (2011) consider entrepreneurship as complex and diverse, thus exploring its practices and perspectives is fundamental to any research. Kuratko (2009) recognises a lack of research in entrepreneurship and estimates that many researchers in this field consider entrepreneurship research as still emerging. Public entrepreneurship research seems emerging as researching public management is also still evolving.
3.1 Public management research

Public management research can easily be facilitated by social or critical research theories. In applying social theory, researchers aim at understanding social issues in order to generate new knowledge. For Bailey (1982), social research implies gathering data that facilitates the understanding of various aspect of the society. For Neuman (1994), social research theory is conducted to seek responses to questions about the way the social world functions and a process to produce new knowledge about it. Information gathered through social research has two benefits according to Bailey (1982).

Firstly, it can benefit the society through direct applications to cure social ills. This article suggests public entrepreneurship as a strategy to promote, improve and sustain service delivery. Secondly, the findings of a social research can be used to test theoretical issues in social science. In this case, the article learns from applications of entrepreneurship in the private sector to inform learning and good practices in the public sector.

This article is based on the principles of public management research. Critical research through literature review consisted of analysing how things happen in order to propose solutions in improving and sustaining service delivery through entrepreneurship. Social theory in public management concerns appraising how public entities are managed with emphasis on possibilities for a better future according to Box (2005). This article critiques the current service delivery fiasco in public sector entities and analyses possibilities in fixing such fiasco through a business-led management strategy, entrepreneurship.

3.2 Public entrepreneurship research

Public entrepreneurship is a new and emerging research field. This article is therefore what Steyaert & Hjorth (2003, 44) refer to as an exploratory research on understanding entrepreneurial action. For this article, public servants should learn entrepreneurship skills in order to improve and sustain service delivery. Davidsson (2004, 17) considers entrepreneurship as a societal phenomenon and questions the fact that research in entrepreneurship is a burden as it should be done as it happens, before the outcome is knows. He then asserts that researchers should be allowed to go deeply into aspects of the process without following up on the outcome and still be acknowledged for doing “entrepreneurship research”.

This process is therefore materialised through an asymmetric knowledge creation on entrepreneurial opportunity to benefit the public sector (Steyaert & Hjorth 2003, 58). This article analyses the principles and practices of entrepreneurship to support its use as a catalyst strategy for service delivery in the public sector in promoting and sustaining socio-economic development.

3.3 Literature review technique

Literature review facilitated not only learning about entrepreneurship but importantly arguments that entrepreneurship is possible in the public sector to facilitate the maximisation
promoting socio-economic development through public entrepreneurship: a conceptual perspective

of the production of public goods and services. Public entrepreneurship is therefore a management style aimed at pursuing opportunity and creating change (Wickham 2001, 26).

4. Public entrepreneurship: conceptual perspective

Entrepreneurship literature is vast depending on each author’s focus. This article covers the following entrepreneurship themes: qualities and related skills (Nandan 2007); advantages and disadvantages (Lambing & Kuehl 1997); perspectives and practices (Lambing and Kuehl 1997; Johnson 2010; Blundel & Lockett 2011; Mbecke 2014; Gomez & Korine 2008 and Burns 2013); and decision making (Chell 2001) to understand and promote public entrepreneurship as a tool to facilitate socio-economic development through service delivery.

4.1 Qualities and related skills of entrepreneurship

Entrepreneurship is a complex management expertise that requires certain qualities and related skills to produce expected outcomes (Nandan 2007). The author proposes a non-exhaustive list of what is needed from a good entrepreneur. The top quality is high general education with the ability to recognise market opportunities as the relating skill. Sharp Intelligence is another quality with the taste for creativity as related skill. The preparedness to accept risks is a quality with the ability to conceptualise innovatory ideas as skill.

Other qualities and skills are: good judgement (ability to mobilise resources as skill); good judgement (ability to mobilise resources as skill); firm determination (wise decision on use of resources as skill); persuasiveness (communication skill); emotional stability (amicable human relationship skill); perception in practical business matters (dynamic leadership skill); and knowledge of market trends (organisational ability). All these qualities and their related skills are needed in the public sector. Any eventual effective public entrepreneurship must therefore practise these qualities and skills.

4.2 Advantages and disadvantages of entrepreneurship

The above qualities and skills are essential in making entrepreneurs more effective. However, entrepreneurship has its own advantages and disadvantages. Lambing and Kuehl (1997, 16 - 17) consider two key advantages of entrepreneurship; autonomy and freedom to make own decisions. An effective entrepreneur has a competitive advantage of being his/her own boss resulting in a feeling of satisfaction.

The challenge of a start-up means the exhilarating feeling of achievement according to the authors. The advantage is for an entrepreneur to have the opportunity of developing a concept into a profitable business and having a sole responsibility for the success of that idea or concept. For Klein, Mahoney, McGahan & Pitelis (2013), public entrepreneurs have the advantage of using constitutional and legislative authority to control important and transform important resources such as land, buildings and budgets.
Entrepreneurship is a difficult career that a person can enjoy (Lambing & Kuehl 1997). Its core disadvantages are: personal sacrifice, burden of responsibility and little margin for error according to the authors. At the start of an entrepreneurial adventure there are risks to take and difficult decisions to abruptly take. Sacrifices to be taken by the entrepreneur include but are not limited to working long hours, not having time for recreational activities, for family and personal reflection. The burden of responsibility means the jack of all trade according to Lambing & Kuehl (1997).

Entrepreneurs manage multiple functions within the organisation and ensure that everything works for the success. This multiple responsibility results in a feeling of loneliness at times. The need for entrepreneurs to be experts in many fields creates a burden for them. The other disadvantage is the fact that entrepreneurs have little room for error in their quest for success. A simple wrong decision can result into calamity, yet one of the characteristics of entrepreneurs is to take risks (Lambing & Kuehl 1997).

Klein et al. (2013) argue that bureaucracy, politics, ownership and control are some of the key barriers in the running of public entities. They suggest that leverage between laws and politics; bureaucracy and public ownership and participation; negotiations and consideration and leverage of private goals and satisfaction of the public servants are necessary for public entrepreneurship to thrive. These disadvantages cannot prevent the success of entrepreneurship in the public sector if the qualities and related skills are observed and logically used in the running of public entities.

4.3 Perspectives of entrepreneurship

Public entrepreneurship is enabled and supported by the economic, social and political perspectives by Blundel & Lockett (2011, 268). The economic perspectives of entrepreneurship examine how societies allocate and manage scarce resources between users. For economists entrepreneurs must identify or create opportunities, make innovations, take risks, bear uncertainty, act as an intermediary, allocate and coordinate resources and lead organisations (Blundel & Lockett 2011, 269 – 272).

The social perspectives mean understanding people and places. Entrepreneurial activities are influenced by the societies in which they happen. A framework to understand how to study the society where entrepreneurial activities are initiated is therefore important (Blundel & Lockett 2011). Such framework should include how to collect data and involve communities in the entrepreneurial venture (ethnographic studies); how to evaluate societal changes and to collect and analysing data on entrepreneurial interventions.

Political perspectives of entrepreneurship consider public policy, economic development and innovation according to Blundel & Lockett (2011, 387). Three policy dimensions characterise political projects of industrialised countries. The entrepreneurship policies on Small and Medium Enterprises concentrate on short to medium term economic performance of firms. The other two policies dimensions’ influence entrepreneurship and other policies such taxation, industry regulation, trade, education and international policies. (Blundel & Lockett 2011).

Political perspectives of entrepreneurship also consider economic growth priorities, employment and competitiveness and most importantly how public entities intervene to
encourage entrepreneurship activities. Different policies must therefore be initiated to make entrepreneurship a business of the government. In practical terms, Johnson (2010, 168-169) refers to the establishment and use of operations manual, a made up of policies (what is required or what standard must be achieved) and procedures or standard operating procedure (detailed lists of instructions on how to implement and maintain policy).

Although complex, diverse and emerging, public entrepreneurship is possible if public entrepreneurs apply the qualities and skills advised by Klein et al. (2013) and use their competitive advantages described by Kuehl (1997) and Klein et al. (2013).

5. Public entrepreneurship

Literature review on public management and entrepreneurship supports the introduction of entrepreneurship in the public sector as an alternative strategy to promote, improve and sustain service delivery. This article emphasises the dimensions of political perspectives, the practices of entrepreneurship and the decision making in entrepreneurship process as key in stimulating public entrepreneurship. Public entrepreneurship can be easily understood through the notion of corporate entrepreneurship.

5.1 Corporate entrepreneurship

Corporate entrepreneurship consists of social interactions occurring both within and outside an organisation. Pinchot (1985) and Ndedi (2011) argue that corporate entrepreneurship is the effort of promoting innovation from an internal organisational perspective, through the assessment of potential new opportunities, alignment of resources, exploitation and commercialisation of said opportunities. The corporate entrepreneur’s management of the innovation process will therefore lead to greater benefits for the organisation (Ndedi 2011).

Through the work of Morse 1986; Sharma & Chrisman 1999; Vesper 1984 and Zahra 1991, Burns (2013, 19) argues that corporate entrepreneurship is a loose term used to describe entrepreneurship behaviour in “established and larger” organisations. Ndedi (2011) adds that corporate entrepreneurship is the act of promoting entrepreneurial behaviours within an established organisation. Gcaza and Urban (2015, 34) are specific that corporate entrepreneurship is a key construct in enhancing business performance whereas Burns (2013) is of the view that the aim of corporate entrepreneurship is to encourage innovation at all levels in an organisation. The above definitions and explanations cover entrepreneurship in the public sector which is formed of established organisations or entities.

5.2 Public entrepreneurship

The idea of “public entrepreneurship” is not new (Shockley, Frank & Stough 2002). In his review of Olson’s “The Logic of Collective Action”, Wagner (1966, 165-166) identifies political entrepreneurs as being the broad group of individuals – in contrast to the narrow group of lobbyists and interest groups – that supply collective benefits for political profit. A political entrepreneur is someone who is (1) a rational calculator (2) primarily engaged in the
narrow economic activity of providing collective goods (Jones 1978, 499). For Jones (1978); Frohlich, Oppenheimer & Young (1971), theories of public entrepreneurship depict political entrepreneur as a *homo economicus politicus* or an economic actor with perfect rationality and full information in the quasi-market setting of politics. Politicians and public servants can therefore be considered as public entrepreneurs.

Boyett (1997, 90) and Ndedi (2011) believe that entrepreneurship occurs in the public sector where it is driven by those individuals, particularly susceptible to the ‘manipulation’ of their stakeholders and with a desire for a high level of social ‘self-satisfaction’, who have the ability to spot market opportunities and who are able through follower ‘manipulation’ to act on them. These characteristics are difficult to find in many African political leaders and public servants. Thus, the need for further research on the application of public entrepreneurship to facilitate service delivery in the public sector as suggested in this article.

Three important elements are therefore indispensable when applying entrepreneurship in the public service. They are the practices of entrepreneurship; the dimensions of political perspectives; and the decision making process.

### 5.2.1 Practices of entrepreneurship

Entrepreneurship is a challenging career and succeeding in it is an exciting yet difficult mission according to Lambing & Kuehl (1997). What is important is that: “whether entrepreneurial tendencies exist at birth or are developed as a person matures, certain traits are usually evident in entrepreneurs” argue Lambing & Kuehl (1997, 12). Such traits must be nurtured in aspirant public entrepreneurs. Some traits are: passion for business considering obstacles; tenacity despite failure (persistence for the success) and transforming difficulties into opportunities; confidence in what needs to be done and knowledge in how it has to be done; self-determination and self-motivation to achieve success; taking and managing risks; changing difficulties into opportunities; and creativity to see a big picture. To maximise these traits for best outcomes, a vision, opportunities, people, markets, processes, accounts and finances must be explored (Blundel & Lockett 2011).

**Practice 1: a vision**

Effective entrepreneurs support their action by a good “vision”. Blundel & Lockett (2011) cite a Japanese proverb that: “Vision without action is a daydream. Action without vision is a nightmare”. The entrepreneurial process should start with a visioning exercise that creates a plan of action for what needs to be achieved. A vision should therefore be a process of changing ideas into business opportunities for the success of the organisation. At this stage the entrepreneur should consider three scenarios as suggested by Lambing & Kuehl (1997).

**Firstly**, new concepts/businesses should be developed. The entrepreneur should design new products/ideas and design business plans to develop or implement them.

**Secondly**, existing concepts should be used in developing new businesses. The entrepreneur should develop new businesses based on old concepts.
Thirdly, existing concepts and businesses should be considered in promoting innovation. The entrepreneur might decide to just change the operations of the organisation for instance.

Blundel & Lockett (2011) propose three approaches in developing a vision: follow an emergent vision; draft a traditional business plan; and develop an opportunity business model. These approaches are outside the scope of this article.

Practice 2: “opportunity or nurturing creativity and innovation

According to Blundel & Lockett (2011), entrepreneurial opportunities happen when there is convergence between creativity, innovation and opportunity. The entrepreneur needs to consider exploring the world of opportunity by exploiting “concrete knowledge” or knowing the sources of such opportunity or where to start according to the authors. The entrepreneur must then seek creativity in entrepreneurial ventures and pursue innovation (define what is innovation, what are the types of innovation and how to link innovation and creativity). The role of the entrepreneur is to help convert an invention into innovation and then exploit this innovation in the organisation (Blundel & Lockett 2011, 70). The entrepreneurial process is therefore threefold: idea generation; opportunity recognition; and exploitation in enterprises.

Practice 3: “people”

To establish a new venture, entrepreneur must know how to create and lead entrepreneurial teams or groups of committed people (networks) working towards achieving a set and articulated vision (Blundel & Lockett 2011, 79). The roles and responsibilities of each team and each team member need to be clarified and a communication strategy well developed. Blundel & Lockett (2011, 89) refer to forming, storming and norming teams. Entrepreneurial networks are also vital whereby personal contacts of individuals and organisations active in fields of intervention are known and used. The entrepreneurial teams and networks must be well managed to benefit the organisation in achieving it mission.

Practice 4: “efficient marketing system”

For Blundel & Lockett (2011), market research; mainstream and marketing approaches; customer engagement and public participation in the case of public entities; defining products and gaining legitimacy for such products; and proper planning can assist a good marketing strategy ahead of competitors and considering the needs of the customers.

Practice 5: “process or controlling operations and technologies”

Competitive advantage can be achieved through normal operations management and technology management by the entrepreneur according to Blundel & Lockett (2011). Basic operations management, information systems, proper control systems (quality control) and electronic communication platforms are necessary to facilitate the work of the entrepreneur.
Mbecke (2014a, 39) is of the view that using operations and quality management is very important in the public sector as such tools assist a redesign to respond to questions such as how to improve productivity, how to reduce time and cost of production and improve quality in order to meet customers’ expectations. He proposes an operations and quality management model and framework to facilitate the delivery of services by local government officials in South Africa.

Corporate governance introduced in South Africa from 1994 through the Code of Corporate Practices (Johnson 2010, 291) and the corporate municipal governance in the public sector as suggested by Mbecke (2014b) are important elements in assuring that entrepreneurs run public entities to success. Mbecke (2014b) argues that corporate governance is a good restructuring strategy unfortunately not yet implemented in public sector entities especially in under-developed countries. He suggests adjustments considering best practices on corporate governance in local governments through a code of corporate governance and a corporate governance framework for local governments.

**Practice 6: accounts or interpreting financial performance**

According to Blundel & Lockett (2011, 158), the success of an entrepreneurial venture lies in how good the books balance. A correct business accounting is therefore a key to a successful entrepreneurship. The entrepreneur needs to be able to manage and analyse the profit measures (gross profit, net profit, operating profit, profit margin, return on capital), the taxation (Value Added Tax or VAT, Company Tax and other applicable taxes). Financial statements should include profit and loss, balance sheet (assets, liabilities, equity) and a proper cash flow forecasting must be managed. The entrepreneur should also be able to manage and analyse the Key Performance Indicators (KPIs) through qualitative versus quantitative measurements. “Having a good understanding of business accounting is critical capacity for creating and running a new venture” Blundel & Lockett (2011, 180).

**Practice 7: “finances” or raising capital for new ventures**

The entrepreneur needs to consider the sources of finances (banks, government etc.) and secure a return on the investment according to Blundel & Lockett (2011).

The above seven practices are a prerequisite for a successful entrepreneurship, yet they are not a magical solution. Because entrepreneurship is about change, it is important to consider the dimensions of political perspectives of public entrepreneurship.

**5.2.2 Dimensions of political perspectives of public entrepreneurship**

The public sector is always mandated by the government of the day and sudden changes in government can hinder the work of public entrepreneurs and so inhibit movement toward public entrepreneurship.

Gomez and Korine (2008, 46-49) consider two critical dimensions of the political perspectives of entrepreneurship (“confrontation of liberties” or political dilemma and the “institution of democracy” or how to regulate a fragmented society) when introducing entrepreneurship in the public sector. The confrontation of liberties questions the individual
freedom of the entrepreneur to be balanced to the continuous need of the fragmented society served. For the authors, the freedom to become an entrepreneur is the enemy of the existing entrepreneur, because it threatens property and power.

Some of the worries in the public sector are for instance the conflict of power between politicians and public office bearers. Political leaders are guided and assessed in terms of their party manifestos instead of sound business principles of corporate governance. They are not liable for their actions, yet they influence the work of public officials (Mbecke 2014b).

The institution of democracy refers to trends of democratic governance and public participation in running public affairs. The challenge in applying entrepreneurship in the public sector is that governance by democracy appears to be in opposition with governance by the entrepreneur (Gomez & Korine 2008, 47). The authors explain that whereas the entrepreneur orient collective action by drawing on his/her authority, democracy implies debate, refutation, and criticism. For Burns (2013, 24), corporate entrepreneurship should be a process of achieving success, moving from being an entrepreneur, wheeling and dealing, to entrepreneurial leader. He refers to the example of Michael Dell who understood his competitive advantages and then put into place a system and process to keep his company two steps ahead of the competition. Democracy can therefore be achieved through entrepreneurial management whereby opportunity-seeking and innovation are encouraged in a systematic manner throughout the organisation according to Burns (2013).

Gomez & Korine (2008, 48) understand that democracy is different from other forms of government as it stresses fragmenting every exercise of power to prevent one individual or one group of individuals from imposing authority and depriving others of their liberty. The authors underline three procedures in implementing individual liberty: equality of rights; separation of powers; and representation within public debates.

These procedures are the remedy to the dilemma of implementing ideal institutional democracy for entrepreneurship to thrive in the public sector. However, a good decision making process is key to a successful public entrepreneurship.

### 5.2.3 Decision making in public entrepreneurship

Decisions are based on preferences or wants, needs and interests and expectations of outcomes associated with alternative actions. The author suggests that decision makers should pay attention to two issues among other things (Chell (2001, 114).

Firstly, the political and organisational context of decision making, especially in a situation whereby there are many decision makers with conflicting interests as it is always the case in the public sector where rivalry among political parties prevails.

Secondly, routine decision making should be distinguished from rules and standard operating procedures, norms and practices. It is important to consider the position of the entrepreneur, whether a politician making standard policies or a public official making operating decisions to achieve set policies. Politician and public official entrepreneurs should therefore work in alliance to achieve public sector’s mandates.

The following problem orientation strategy to decision making process (see table 1) is relevant for public entrepreneurship ventures. The strategy looks at three types of problem orientation (to which more can be added) and considers the entrepreneur in the function of a prospector, an analyser and a defender.
The three problem orientations decision making above should form part of the public entity’s operations. When an entrepreneur decides using this strategy (acting as a prospector, an analyser and a defender), the probabilities of succeeding in service delivery are higher.

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<thead>
<tr>
<th>Problem orientation:</th>
<th>Entrepreneur is strategically:</th>
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<tr>
<td></td>
<td>A “prospector”</td>
<td>An “analysers”</td>
</tr>
<tr>
<td>Entrepreneurial</td>
<td>Locate and exploit new product and market opportunities.</td>
<td>Locate and exploit new product and market opportunities while maintaining a firm base of traditional products and customers at the same time.</td>
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<tr>
<td>Engineering</td>
<td>Avoid long-term commitments to a single technological process.</td>
<td>Be efficient in stable portions of the domain and flexible in changing portions.</td>
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<tr>
<td>Administrative</td>
<td>Facilitate and coordinate numerous and diverse operations.</td>
<td>Differentiate the structure of the organisation and processes to accommodate both stable and dynamic areas of operation.</td>
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Source: Adapted from Miles & Snow (1978) cited by Chell (2001, 126).

6. Limitations and possible future research

The government plays a vital role in ensuring that the required business conditions essential for a conducive, productive and marketing activities are made available to the industry (Nandan 2007, 36). The author refers to policies that will facilitate the work of entrepreneurs in creating job opportunity and making the industry prosper. However, this article suggests that the government as part of the industry needs to groom and use its own entrepreneurs.

Entrepreneurship is therefore a crucial business-led management strategy that needs to be researched, tested and implemented in the public sector. Innovation, creativity and other qualities proposed by entrepreneurship are important tools to make the public sector not only competitive but effective and efficient in providing services. It was not the purpose of this article to confirm the enthusiasm that entrepreneurial practices can be easily implemented in the public sector. Such debate still prevails especially as there is no universally accepted and scientifically tested public entrepreneurship model and its replication.

This is a burning question that needs further primary research. It is for sure that governments are interested in reforms targeting business-oriented strategies and the trend to
promote entrepreneurial practices in public sector is indisputable. Research is therefore needed to suggest processes and tools to facilitate smooth introduction and practice of entrepreneurship in the public sector.

7. Conclusion

This article is a contribution to the debates on the possibility of introducing corporate governance in the public sector. It asserts that through public entrepreneurship, committed and motivated public entrepreneurs can facilitate competitiveness and innovation thus promoting, improving and sustaining service delivery. The article does not differentiate between the public entities forming the public sector in order to test the real application of the success of public entrepreneurship in local, provincial and national governments or the states owned enterprises.

It is a fact that, basic goods and services are provided mostly at local government level. It is also certain that state owned enterprises apply a certain form of corporate governance whereby business-led management strategies are used. The provincial and national governments seem to occupy a high level of management and deal mostly with policies and control matters than direct service delivery. A separate thorough research on introducing and practicing entrepreneurship in local governments is therefore indispensable. Further research on public entrepreneurship to facilitate service delivery is therefore a necessity.

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