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PUBLIC ENTREPRENEURSHIP: A RECIPE FOR IMPROVED SERVICE DELIVERY IN SOUTH AFRICA'S PUBLIC SECTOR

Hammed Olabode Ojugbele*, Oyebanjo Ogunlela, & Robertson K. Tengeh

ABSTRACT

This paper aims to evaluate the potential role of public entrepreneurship in improving public sector service delivery in South Africa, with special emphasis on showing the practicability of public entrepreneurship despite the marked differences between the public and the private sector where entrepreneurship originates from.

In other words, we are seeking to answer question how exactly can public entrepreneurship work in practice in South Africa and beyond? We attempted to answer this question in this paper through a rigorous review of public entrepreneurship and exploration of a case study. We concluded and showed that public entrepreneurship is realisable with the right kind of leadership, institutional-wide entrepreneurial orientation and, of course, a bit of managerial flexibility. We went on to assert that entrepreneurship is innovation and not necessarily new venture creation. This is the primary component that is coveted in public entrepreneurship. However, there is vast places for other elements of entrepreneurship in the public sector.

KEY WORDS: *Public entrepreneurship, Innovation, New venture creation, Entrepreneurs, Public institutions, South Africa*

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1. INTRODUCTION

The quest for ways of improving the performance of the public sector is a global and age long one (Boyne 2003). Various efforts and interventions have been proposed in the past to rejuvenate or improvement the public sector

performance; this includes but not limited to structural and administrative overhaul as advocated by the New Public Management model (Osborne & Gaebler 1992), ethical reforms (OECD 1998), digitalisation (Lips 2019, Terlizzi

2021) just to mention a few. Public entrepreneurship (PE) is another one of such initiatives or approaches to reform the public sector and promote good governance (Strow & Strow 2018). PE primarily entails promoting an entrepreneurial mind-set within public institutions (Fedele, Brusati and Ianniello, 2016). It has also been argued that entrepreneurship could be used in public bureaucracies and government institutions as a change agent, to bring about more flexible and proactive institutions which will result in improved service delivery through persistent, innovative ideas (Walker 2014).

1.1. Entrepreneurship and the entrepreneur

Entrepreneurship is understood to involve innovation, process improvement and start-up of new business ventures. As a result of this conceptualisation, it is assumed that entrepreneurship takes place in either a market, organisation, university and private or government institutions (Slaughter and Leslie, 1997). Klein (2008) posited that some conceptualisations regarding entrepreneurs could help gain a better understanding of innovation in public institutions(PI).

As Morris and Jones (1999) explained, entrepreneurship deals with the setting up of new business through creative and innovative ideas by people based on identified needs in society. Therefore, an entrepreneur, according to Casson (1982:23), “is someone who specialises in taking judgemental decisions about the coordination of scarce resources”. Entrepreneurship involves many skills and qualities: the ability to take risk, being innovative, gathering and making use of available resources effectively, and imaginative thinking, with entrepreneurs, highlighted as business leaders, playing essential roles in economic growth (Palanivelu and Manikandan, 2015).

As such, an entrepreneur starts a new business bearing all risk and uses available resources, including people, in an entirely new field or market, thereby creating job opportunities in a manner that will foster socio-economic development (Palanivelu and Manikandan, 2015). Therefore, the general perception about entrepreneurship is that it is connected to innovation, being creative, starting a new business, or developing new ideas or discovery (Klein

et al., 2010).

1.2. Public entrepreneurship and the public entrepreneurs

The concept of Public Entrepreneurship (PE) is not new and is gradually gaining global attention (Weiss, 2014). According to Kearney and Meynhardt (2016), PE is assumed to be a process within Public Institutions (PIs), which usually leads to innovativeness by enhancing old processes and developing new innovative processes and technologies that could enhance process improvement within the institution.

Public entrepreneurs are individuals within government institutions that can identify opportunities, leading to the development of new business ideas that could help achieve socio-political objectives by harnessing resources to help achieve the identified objectives (Ramamurti 1986). Thus, they act as both public servants and entrepreneurs. Thus, it can be said that those initiatives undertaken by public servants, to create value within government institutions in an innovative way, could be construed as PE, since the staff of such institutions usually implements activities and policies formulated by government institutions (Dhliwayo 2017). Kropp and Zolen (2008) identified and grouped entrepreneurs as; political, policy, executive and bureaucratic entrepreneurs.

It has been noted that the public entrepreneur could be individuals within the public sector, a working group or institution(s). At the individual level, the public entrepreneurs are individual in the public sector who actively seek opportunities for dynamic changes in policy or politics (Schneider, Teske, and Mintrom, 2011). They are often the strategists in the public organization who drive innovative changes or deploy resources (Mintzberg 2009; Ongaro and Ferlie, 2020). Institutional entrepreneur speaks to the concept of institutions as the public entrepreneur which is a common practice in the USA. This usually takes the format of collaboration among some institutions to drive specific innovative outcomes (Etzkowitz and Gulbrandsen 1999).

Morris and Jones (1999) mentioned that public entrepreneurs are those PIs' staff who possess a mix of power, always in pursuit of achievement through innovation, with the ability to think and operate strategically, and always taking one step at a time, while also having strong cross-boundary collaboration ability, are politically connected, highly confident and willing to take risk, as well as

being tolerant. Ali, Irfan and Salman (2019) ascertained some objectives public entrepreneurs attempt to achieve as follows; they act as change agents to

organisational processes, develop new ideas in an innovative manner such that efficiency is improved to enhance service delivery, act as partners of progress in a way that value is added in public service institutions, and solve problems in order to satisfy identified public needs, as well as being exposed to opportunity for discovery and exploitation. In addition, public entrepreneurs generate initiatives that will lead to economic development at all levels of government, thus promoting an entrepreneurial attitude and mind-set, along with making use of entrepreneurial models in value creation, as corroborated by Moghaddam et al. (2015), who posited that when an entrepreneurial approach is incorporated into the public sector, the value will be created within the system.

In the final analysis, PE is an ongoing process that results in innovation and pre-emptive activities by the respective officers. The innovation of streamlined processes that will enhance service delivery, reduce waiting time, and introduce an entirely new organisation that could be an offshoot from of an existing institution, while being pre-empted by PIs, is to conceive of what may likely happen to a system or operation ahead of time that generates preventive measures before they occur (Morris and Jones 1999).

1.3. Clarifications: “Publicness”

It is worth clarifying publicness or what makes an institution or entity public. As simple as it appears, ‘publicness’ may be construed as a complex process, especially when viewed in line with the various formats of achieving public benefit through various forms of government-private or government-market interactions (Moulton, 2009; Brinkerhoff and Brinkerhoff, 2011). Publicness is a ubiquitous term that has a home in a lot of disciplines, including philosophy, investment and mortgage, political sociology, studies of civil society, economics, political science and architecture; and it has correspondingly acquired different context specific meanings over time (Godsell, 2017)

In the public service, Publicness is a term that describes an entity's organisational attachment to public sector values like accountability, due process, and welfare provision (Antonsen and Jørgensen, 1997; Haque, 2006). Thus, for the purpose of this paper we take public institutions or organisations

as those under ownership and control of a political community such as a nation-state or a municipality (Petrovsky, James, and Boyne, 2015).

2. METHODOLOGY

In line with the aim of the study, we adopted a theoretical approach to examine the practical applicability of the concept of PE. We proceeded by looking at the existing definitions and their practical limitations. Next, we sieved out the core elements of entrepreneurship advocated by the different authors on PE. Then, we attempted a “quasi-validation” of the ideas we came up with by analysing the far-reaching reforms that were done in what is arguably South African best performing public institution- South African Revenue Services (SARS) to see the role played by entrepreneurship principles in the success of the institution. We draw on the literature on entrepreneurial orientation and PE as well as other relevant literature as at when needed to put our findings into perspective.

Theoretical papers focus on advancing or broadening our thinking by attempting to bridge existing theories in provocative and exciting ways, which sometimes involve linking work across disciplines to provide new insights (Gilson & Goldberg, 2015). Whetten (1989) maintained that such papers should rigorously meet the following seven criteria: (1) What’s new? (2) So what? (3) Why so? (4) Well done? (5) Done well? (6) Why now? and (7) Who cares. Gilson and Goldberg (2015) noted that while not all papers will meet the seven criteria, the “what is new” criterion is of utmost importance. The overarching methodological approach employed in this paper is a mix of theory adaption and theory synthesis (Jaakkola, 2020).

3. DISCUSSION

According to Slaughter and Leslie (1997), there is a perception that the entrepreneurship concept takes place, for example, in new markets, companies or private institutions and academic institutions. In their opinion, most innovation or novelty does not necessarily lead to being entrepreneurial. Klein (2008) posited that literature has further provided more conceptualisation regarding entrepreneurship, which is essential to shedding more light on how innovation is achieved in PIs. Some of the characteristics of entrepreneurship identified in the literature relates to attentiveness and being observant in a manner that opportunities are specified and harnessed (Kirzner, 1973); ability to make informed decisions under conditions of uncertainty (Knight, 1921); and

innovation in relation to products, processes and the market (Schumpeter, 1934). Shane and Veukataraman (2000:220) stated that “To have entrepreneurship, you must first have entrepreneurial opportunities...situations in which new goals, services, raw materials, and organising methods can be introduced and sold at greater than their cost of production”. Casson (1982; 2010) argued that the motive behind entrepreneurship is economic and not as being perceived as an organisational practice. Thus, it could be taken that entrepreneurs in PIs often can identify opportunities and harness them to create value (Lewis, 1980).

Dhliwayo (2017) noted that value creation is based not only on opportunity identification but also on the ability to effectively use those opportunities. Furthermore, he posited that some opportunities are social in nature, termed “social opportunities”, and are construed as those opportunities left unattended over a period that could be diverse in nature, ranging from being socio-economic to being political in nature (Dhliwayo, 2017). Thus, when these identified opportunities have been harnessed and adequately acted upon, it is assumed PE has occurred in that space in a manner whereby value has been created.

In their study to ascertain the application and concepts of entrepreneurship in the public sector, Morris and Jones (1999) surveyed 152 public managers in South Africa. The findings indicated that in the view of a substantial number of the respondent managers, this concept is relevant to their environment and the implementation challenges do not differ much when compared to what is obtainable in the private sector (Morris and Jones, 1999). The authors determined that the process of entrepreneurship can essentially be divided into two; an ‘event’ and ‘agent’; explaining that entrepreneurship as an event, is the process of conceiving and execution of such idea, process, product or service, while entrepreneurship as an agent, has to do with a person or group of persons able to take responsibility to ensure the ‘event’ becomes a reality. McGaham Zelner and Barney (2013) noted that proper engagement into the inquiry of PE and its relationship with the public sector would require proper conceptualisation.

3.1. Actualising PE in South African Public Sector

As mentioned earlier, the South African public service has been described to be grossly inefficient, and this is evident from the frequent and ubiquitous service

delivery protests that are rife in the country, especially in the past few years (Alexander, 2010, Managa, 2012, Lavhelani and Ndebele, 2017, Mamokhere, 2020). The situation is made more complex because the populace's demand for service delivery is on the rise (Maphumulo and Bhengu, 2019). The situation thus, naturally call for new thinking and ways of doing this within the public sector. PE is a panacea for such problematic situations. This is because it has the propensity for creating public value through the creative improvement of efficiency without being constrained by resources' paucity resources (Edwards et al., 2002, Zerbinati and Souitaris, 2005). However, situating PE properly in the public sector requires a proper understanding of the public sector's nature, especially in the South African context.

Generally, the public sector is usually taken to be synonymous with "bureaucratisation," and it is associated with routine behaviours, risk avoidance, and paucity or (total) lack of initiatives (Bernier and Hafsi, 2007). They are usually hierarchical organisations with multiple stakeholders who usually pull in different directions. They are ring-fenced within rigid detailed procedures and guidelines. Inflexible financial control and budgeting systems are religiously guided by managers highly invested in power and security, with little or no incentive for risk-taking (Zerbinati and Souitaris, 2005). These features of the public sector and other marked differences between public and private enterprises have made the applicability of entrepreneurship principles in the public sector highly contended (Morris and Jones, 1999, Ali et al., 2019, McSweeney and Safai, 2020). In fact, some authors think the whole idea of PE, like many other acclaimed public service reforms (Hood, 2000), is no more than myth and rhetoric as noted by Edwards et al. (2002:1541) that:

"Entrepreneurship in public management can thus be understood less as a 'what is happening' descriptor than as a rhetorical label or device to win support amongst certain stakeholders for public service reform".

One of the strong arguments of the proponents of the incommensurability of entrepreneurship principles and the public sector is that both sectors' distinctive features make them different. They held that these differences (summarised in Table 1) make it impossible to transfer learning from the private to the public sector (Morris and Jones, 1999, Mühlenkamp, 2015).

S/N	Public Sector	Private Sector
1	No profit motive but guided by social and political objectives	Profit is usually the primary motive
2	Strive towards multiple and often eclectic objectives	Fewer and well-structured measurable objectives
3	Less exposed to market forces	Full exposure to market-related factors like a high incentive for cost reduction and efficient resource allocation
4	Political and equity considerations guide resource allocation	Resource deployment is primarily based on profit maximisation
5	Multiple and hard to identify customer	Well define and identifiable customer base
6	Have guaranteed and "unlimited resource that derives from involuntary taxpayers	Revenue only accrue from satisfied and happy customers
7	Subject to public scrutiny and need to consider the interest of diverse stakeholder	Only accountable to stakeholders with commercial interests in the business
8	Has no motivation to take risks or is risk-averse	Always make risk /profit trade-offs
9	The managers act more as implementers of policies with little or no strategic decision-making power	Managers are empowered and have the flexibility to make decisions they deem best for the interest of the entity

Table 1: Features of Public and Private Enterprises (*culled from* Morris and Jones, 1999, Mühlenkamp, 2015)

3.2. South African public sector: the reforms and guiding principles

South African democratic government post-1994 inherited a demographically and functionally dysfunctional civil service that comprises over 95% of the white minority and does not prioritise service provision to the majority (Franks, 2014, Fernandez and Lee, 2016). To redress this, the public service was taken through a series of reforms (since the end of apartheid), culminating in adopting the new public management principles. Thus, signifying a move from the old traditional public administration paradigm to revolutionise public service by bringing about "improvement in the performance of government organisations through a focus on policy implementation and the strategic actions of top-level decision-makers" (Naidoo, 2015:25).

The reborn South African public service aspires to be professional in outlook

and approach, accountable and transparent, committed to excellence and impartiality, participatory in decision and policy-making, efficient, effective and equitable, and developmental in orientation (DPSA, 2018, Franks, 2014). This

reformed public service was designed to be driven by a participative and flexible management structure that will thrive more on the creative use of consultation and teamwork rather than on applying rules and procedures (Naidoo, 2015). However, because of the weak institutional foundation upon which the reforms were built (and other reasons), the country's public service does not represent these ideals. A situation that was aptly predicted by Picard (2005:370) that:

"The failure to focus on institutional strengthening in the first decade of non-racial government may have long-term implications for South Africa."

A good understanding of the basics of New Public Management (NPM) is critical for the appraisal of South Africa public service's practical reality and the extent of the deviation of its espoused ideals, and the dire need for the adoption of PE.

NPM has been described as one of the major frameworks for implementing managerialism in the public sector. That is, the application of managerial tools and ideas from the business world to the public sector to improve its efficiency and effectiveness (McSweeney and Safai, 2020). It is an ensemble of market-centric approaches like corporate governance, emphasising value for money through insistence on increased efficiency, openness to outsourcing, the setting of performance targets and measurable metrics (Diefenbach, 2009). It also enables and equips public sector managers to become entrepreneurial in their approach, seeking to create public value by seeking and exploiting opportunities irrespective of resources at their disposal, thus, freeing themselves from the shackles of old routines (Callaghan et al., 2010).

At the core of the NPM is brokering collaboration with external stakeholders outside government and political circles to improve the government's ability to deliver services and create value for the citizens. The focus is to generate new ways, ideas, or mechanisms for deploying public resources to pursue public interest. This implies that the pursuance of public interest remains paramount regardless (McSweeney and Safai, 2020).

However, the question remains how successful the application of these principles in South African public service is. The application of NPM principles in practice in the South African public sector has been confounded by a myriad of challenges. These include lack of the requisite skills and capacity to implement most of the enshrined principles, lack of commitment to the principles as indicated by the lack of political will to allow decentralisation which is an essential ingredient for NPM to thrive. There is also the effect of political patronage and the attendant reluctance by the political actors to give the public managers a free hand to experiment with or influence resource deployment (Naidoo, 2015, Munzhedzi, 2020).

3.3. Public entrepreneurship to the rescue

It is worth restating that this article proposes ways of taking PE beyond discourse-level or what some authors have termed rhetoric as mentioned earlier and conceptualise it as a feasible way of doing public service business. It is evident; many of the espoused ideals of South African public service align with the PE tenets, aside from the usual question of legitimacy that always comes whenever an attempt is being made to transfer market-oriented principles to the public service (Klein et al., 2010, Liddle and McElwee, 2019).

However, achieving the above aim requires reiterating the compatibility and commensurability of the PE approach with other extant management approaches in the public service, understanding the true nature of the envisioned changes, and finally creating an appropriate working or contextual definition of entrepreneurship definition for PE. First, it must be understood that adopting an entrepreneurial style of government does not mean a total overhaul or rejection of any other governance style. It can co-exist with them and has the propensity to add value to them (Edwards et al., 2002, Miao et al., 2018). It is also essential to understand that changes in complex systems like the public service are gradual and take time to manifest no matter the effort's intensity (Serman, 1994, Allen, 2001). This gradualism and subtlety are succinctly captured by Bernier and Hafsi (2007:488):

"Public entrepreneurs do not create new artefacts, nor do they design grandiose projects, but they slowly reinvent their organisations and, in so doing, transform the systems that control government effectiveness and efficiency".

We shall align our conceptualisation of PE with Schumpeter's (1934) work, which argued that the real essence of entrepreneurship is innovation and not just the creation of new ventures. He goes on to define innovation as the application of a new idea in practice. If viewed through this periscope of

entrepreneurship as innovation, then a good number of the available definitions of PE (e.g Bernier and Hafsi, 2007, Morris and Jones, 1999, McSweeney and Safai, 2020, Ali et al., 2019, Lucas, 2018) could be reduced to the application of innovative changes in public sector organisations and operations. Such contextual definition makes it easier for different public enterprises or public managers to embark on PE adoption within the need and reality of their context at different paces.

To achieve this, we propose a two-step approach: the entrenchment of entrepreneurial orientation and the encouragement of entrepreneurial activities. We contend that the only practicable step to making PE work in public service is establishing entrepreneurial orientation (EO) as a public sector attribute. This is because EO has been found to mediate the relationship between an organisation's environment and its performance or how it does things (Rosenbusch et al., 2013, Roxas and Chadee, 2013). It does this by fostering innovations (Kollmann and Stöckmann 2014) or directly influences its performance by influencing how it identifies, assimilates, and exploits new knowledge (Hernández-Perlines et al., 2017).

EO traditionally refers to the pervasive behaviour within an organisation regarding proactiveness, innovativeness, autonomy, and risk-taking (Correa et al., 2017, Covin and Wales, 2012, Pearce et al., 2010). The literature is replete with many predictors and antecedents of EO like entrepreneurship education and training (Al-Awlaqi et al., 2018, Bilić et al., 2011, Lina et al., 2018), strategy and strategy making process (Covin and Wales, 2012, de Villiers Scheepers et al., 2014), leadership style (Harris and Ozdemir, 2020) and organisational culture (Engelen et al., 2014). However, in the case of the South African public sector, we are suggesting a widespread and persistent awareness creation within all hierarchies of the personnel on the relevant ideals and principles of the public service previously mentioned like proactiveness, commitment to excellence, participatory planning, flexibility, creativity instead of rigid adherence to rules and procedures, efficiency and effectiveness. Though they exist theoretically on the records, these are largely missing from the South African

public sector. We think that the widespread awareness of these principles can change the way things work in the public service.

3.4. A South African case study : South African Revenue Service

This section was based on the accounts of Hausman (2010) and Alam et al. (2016).

The South African Revenue Service (SARS) is the national tax and revenue collecting authority in the Republic of South Africa. It was established through the merger of two previous government agencies, which were the former Inland Revenue and the Customs and Excise Directorates in the Department of Finance (now the National Treasury). It was set out as an autonomous agency responsible for administering the South African tax system and customs service. The autonomy frees the agency from many of the country's civil service rules to allow it more flexibility.

Post-apartheid South African democratic government was confronted with a huge task of planning and making provisions for most South Africans who were hitherto never considered in national planning. The new government must now extend services such as electricity, water health care, and housing provision to this previously unserved segment of the population. However, the government saw the need to keep tax low in order not to scare away investors from the country which can at that point said to be politically fragile. It is also germane to mention that at that point, there is vast apathy to tax payment as refusal to pay any form of revenue to the previous discriminatory regime was seen as a form of protest. This is further complicated by the popular perception of the revenue collection agency as being inefficient and highly corrupt. This is the situation in which the country aspired to significantly increase revenue collection to enable the new government to meet its social mandate.

Thanks to far reaching and innovative reforms in its structure and operation, the goal was achieved. "Between 1998 and 2009, the South African Revenue Service dramatically improved tax compliance, increasing the number of income-tax payers from 2.6 million to 4.1 million people". In fact, tax revenue rose from 22.9 percent of GDP in 1994 to 27 percent of GDP in 2008, despite tax cuts in 2002/03 (South Africa, National Treasury 2002). We contend that the success secret can be attributed to the entrepreneurship orientation of the

agency leadership, which was then systematically transferred across the organisation, innovation, and a bit of risk taking.

3.5. A growth or improvement focus

The new leadership that drove the transformation had a clear focus to improve patronage by building a reputation of service excellence. The processes and structure of the agency were redesigned to improve their efficiency and improved communication with all their stakeholders, especially the clients which include taxpayers, tax practitioners and banks. Thus, the beginning of their journey to fostering a better relationship with business and citizens. The new service orientation was passed down the line (i.e entrepreneurial orientation) and the leadership employed motivation as a tool to achieve that. Despite the dire and constitutional need to change the staff demography, existing employees were assured that none would lose their job. This worked, different offices of the agency took the service orientation to new levels as will be shown a little later.

3.6. Innovations

In order to achieve its primary goal of increasing tax payers based, a lot of innovative changes were brought into place but it is worth noting that rather than emphasizing technology, the process started with people, then processes. The leadership found a way to keep and retain the dominantly white but skilled and experienced staff without a single job loss and brought in many people from the other demographics for balance. It harnesses its autonomy, allowing it to use a pay scale that does not conform to the public service standard to attract skilled and brilliant people from all sectors of the country. Processes reform was focused on making the experience for taxpayers friendlier and easier and more understandable. Some of the notable operational reforms include setting up contact points on the premises of large organisations during the annual tax filing periods and helping their staff out with the filing, setting up operations in libraries and city centers, fostering improved relationship with tax practitioners and banks, introduction of electronic filing system, as well as small acts like some branches offering queuing taxpayers tea and biscuits on a cold day. At the core of process reforms is the improvement of staff professionalism and integrity. People were allowed to innovate in their own ways, just like the tea serving branches mentioned earlier.

3.7. Risk taking

The risk taking dimension of the reforms is best captured in the following words of the agency's head:

“One of the things that we did as far as our people were concerned ... we took huge bets on them—meaning we couldn’t wait for 10 years for somebody to get 10 years’ experience and then say ‘Now you can take on this one simple position,’” Gordhan said. “So taking bets meant judging a person’s character, level of commitment, and capability and placing them in a completely new position, which they might not have been adequately trained for. Most of them did marvelously; some didn’t. But we learned by actually doing.”

This goes to show that risk taking does not have to literally be the same as in private entrepreneurship which is predicated majorly on the deployment of resources. And same goes for the application of other entrepreneurship concepts in the public sector, they can be applied within the proper context in the appropriate format.

3.8. The outcomes and success secret

As mentioned at the beginning, the transformation was a resounding success with about 129 percent growth in the tax payers register in a span of about 5 years (2009 to 2014), and tax revenue levels rose from R 114 billion in 1995 to R 900 billion in 2014. While it is often argued that the agency owes its success to the improved autonomy which it enjoyed compared to other public institutions which enable it to be more proactive, innovative, and flexible, the fact still remains that the management style or the managerial use of the autonomy is the main driver. When viewed surgically, it becomes obvious that the thinking behind the reforms is entrepreneurial, even if that is not formally espoused. The reforms were built around a combination of growth and efficiency mindset powered by far reaching innovative thinking and element of risk taking where and when required.

3.9. A process-based model

Sequel to the public service members' reorientation on the fundamental ideals

of the service or promotion of EO in a general context, we offer a simple framework (see Figure 1) that could gradually make the public sector or public enterprises genuinely entrepreneurial in thinking and approach to dealing with issues.

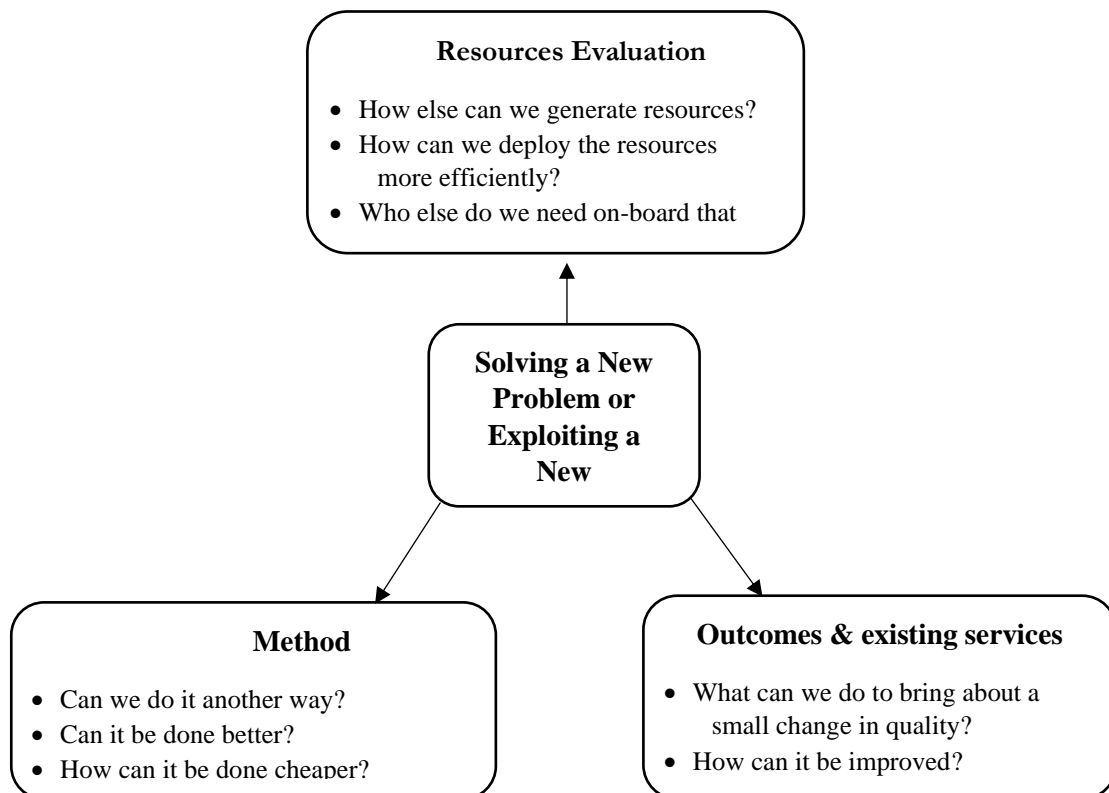


Figure 1: Proposed framework, developed by the researchers (2021)

The framework simply suggests that to improve its way of doing things continuously and innovatively, any new problem to be solved, an opportunity to be exploited (even if it is a routine activity in a public entity), an attempt should be made to answer the simple questions shown as much as possible. We hope that such a routine will gradually bring in the tenets of PE into such an entity over time.

4. CONCLUSION

The nature of the problem we were trying to solve is rooted in a misperception. The fact that public service was designed to be uncompetitive has given rise to

the mediocracy today. This orientation sets it apart from the private sector and entrepreneurship that thrives on competition. While the level of service delivery provided by public institutions in South Africa has not been satisfactory for decades, vital lessons can be drawn from entrepreneurial principles. While some may argue that the public sector is unique, they will agree that its role has changed over time. While some of the changes may be ideological, others are real and primarily driven by technology and international best practices, as we have seen in recent years. While not much has changed in how PIs conduct business, their clients are progressively asserting their claim to better services.

This study made an important contribution by evaluating whether inculcating an entrepreneurial mindset in the execution of public services would improve service delivery in the public sector and the types of entrepreneurial skills and strategies offered by public entrepreneurs in South Africa. We established that the principles of entrepreneurship in the form of PE is not antithetical to the nature and essence of the public sector and it also has the potential to help overcome many of the endemic challenges within PIs. Contrary to popular belief, PE is compatible with other management and governance styles in the public sector. In fact, regarding South Africa, the fundamental principles upon which the public sector is built are essentially the same as the core principles of PE. We also established that PE is nothing but the embracing of entrepreneurial orientation within the public sector through the entrenchment of innovation in identifying and exploiting new opportunities, using and sourcing resources, and deploying existing services or developing new ones.

We opined that a public entrepreneur is any individual, be it a political actor or an employee who strives to innovatively source resources or combine the existing resources in a new to create public value. The underscore fact is that it is not necessary that structural changes need to occur prior to the implementation of PE. This does not imply that building flexibility into PIs will not be value adding when viewed from the periscope of the PE aspirations. However, though we mentioned that an earlier study showed that PI managers claimed PE exists in the South African public sector, an in-depth study must ascertain the extent of the PE implementation in the country and its strategies.

5. RECOMMENDATIONS

PE could start with the introduction of change in institutions' environment or processes, starting a new institution from an existing one, or harnessing

opportunities in areas that the private sector may have neglected in order to create value for the public (Klein et al., 2010). When resources are allocated and used in a new way, through new idea generation, in a manner that is in consonance with public interest, it could be construed that innovation has occurred; this also holds true when institutions combine both public and private resources to achieve socio-economic values (Ostrom, 1990).

According to Brenier (2014), public enterprises could be viewed as different from those institutions that are politically controlled under bureaucracies, instead being an organisation that is autonomous in nature, with the necessary authority that could help to promote entrepreneurship. This was corroborated by Belloc (2014), who posited that publicly owned enterprises tend to encourage innovation in numerous ways, and that most governments have the capacity to finance big projects, as well as research initiatives, where innovative discoveries can be achieved without focusing mainly on profit-making, while at the same time ensuring loss is prevented, where possible; this affords PIs the courage to take on risky projects, thus giving them a competitive advantage (Belloc, 2014).

DISCLOSURE OF CONFLICT

The authors declare that they have no conflicts of interest.

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