

Entrepreneurship Contribution in Upgrading the Service Delivery of Public Tertiary Institution: A Conceptual Paper

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Abstract: *The problem of poor performance in the Public tertiary institution of Nigeria is quite alarming and it seems to be at increase, this is largely associated with the inadequacy and mismanagement of funds. The abrupt industrial actions by staff and students became more persistent in public tertiary institutions of Nigerian. The Government has device numerous policies to address these problems, but remain persistent. Entrepreneurship in Public Sector had received different connotation from writers of different background, including economics and public administration. Studies that used Entrepreneurship in Public Sector and investigate performance provided conflicting findings. Based on the review of previous literature, this study conceptualized that entrepreneurship mediates the relationship between Good governance, external and internal environment of the public tertiary institution in enhancing performance in-terms of effectiveness and alignment.*

Keywords: *Entrepreneurship, good governance, public tertiary institution, performance*

I. Introduction

Development in every nation is bound by economic and advancement of knowledge, the fulcrum of knowledge was raised by education given special reference to tertiary education (Saint et al. 2003). Tertiary institutions play a vital role in the future development of every country, through the tertiary Institution future leaders and entrepreneur are trained it also enhance the student background to improve their standard of living. The major issue that hassled tertiary Institutions in many countries, including Nigeria is inadequate funds this has made the World Bank in 1994 to constitute a declaration that tertiary education in the world bore a grave blow (World Bank, 1994). Over the period of two decades, different countries have engaged in varying degree of reforms to address the epileptic situation that's surrounds education, particularly at the tertiary level these countries were ranged from different continents, with varying degree of economy and ideological background while they have similar nature of the problem. The major reform, they embarked upon is supplementing government funds with non-government funding, that's by pushing the burden away from the taxpayer to the students and their parents.

Initially in Nigeria schools were well funded by the government in terms of teaching and research, sometimes the amount received was more than the amount budgeted (Okebukola 2003). The Nigerians like other citizens of developing nation largely dependent on government for the provision of social services. Due to an over dependency on government and the increase in population, Government experienced difficulty to handle tertiary education adequately (Henry 2013). Entrepreneurship promotes social, economic and political innovation (Libecap, 1996; Eisenstand, 1980). The need for entrepreneurial process in public tertiary institutions to provide independent, innovative and commitments by academic administrators within the public Tertiary institution became eminent.

II. Theoretical Background

The inadequacy and mismanagement of fund fuel the persistent problem of tertiary institution in Nigeria, there are insufficient allocation, corruption, lack of transparency and accountability due to poor mechanism of governance (Onyeonoru, & Bankole, 2001). This study has adapted the components that were advanced by Kearney, Hisrich, and Roche, (2010) on change management through entrepreneurship in public sector enterprises and incorporates Good Governance (Kaufmann, Kraay, & Mastruzzi, 2009) among other exogenous variable, together with the External Environment (political, complexity, Munificent) and Internal Environment (Structure/Formalization, Decision making, Control) base on their relativity with public sector entrepreneurship. The purpose of this study is to propose the influence of Good Governance through the mediating process of entrepreneurship on organizational performance.

III. The Concept Of Public Entrepreneurship

The meaning of entrepreneurship has a divergent view as there is no single universally accepted definition of entrepreneurship (Kuratko and Hodgetts, 2003). There are different perceptions but two approaches that relate to entrepreneurship were made known these are **functional** and **indicative** approaches (Casson 2003). Functional approach tell us about what is made by an entrepreneur in practical terms while indicative approach seek to explain about the features that are associated with an entrepreneur. Public entrepreneurship engaged in large organization usually owned by government or Government linked companies (GLC), their activities are carried out through grants and subvention, Equity financing, Joint Venture and Management buyout.

Here, under public entrepreneurship, systemic means the practice of entrepreneurship is not only limited to a single individual, but it concerns many people within the organization, affects a large segment of the organization's operations, and became institutionalized (Ricucci, 1995; Sanger & Levin, 1992; Scott, 2001). Bernier & Hafsi (2007) opine that, this system encourages competition for the competent manpower in all sectors of the economy that has developed strategies that has three objectives; 1) Develop the leadership ability of all the employees, with an emphasis on management. 2) Promotes learning within the civil service with an emphasis to public service renewal 3) Promotes the public service as an attractive employer.

These objectives assumed to provide remarkable change through negotiation with labor leaders and established a standard for practice. Shane and Venkataraman (2000) posit that, the main difference between public entrepreneurship and traditional entrepreneurship is that public entrepreneurship involves many individuals in transforming the whole system, each nibbling at different aspects of the existing order. Similarly, "when the environment is heterogeneous and turbulent, the public entrepreneurship is said to be more systemic" (Bernier & Hafsi 2007). Thus, entrepreneurship in the public sector is not only restricted to a particular person, but to a group of people.

3.1 Organizational Performance

Instant studies have invariably supports positive relationship between entrepreneurship and organizational performance (Morris, & Sexton, 1996; Davis, Morris & Allen, 1991; Zahra & Covin, 1995). Performance is observed to be multidimensional; thus, it is imperative when conducting empirical studies to combine different forms of dimension (Cameron, 1978; 1986). Public sector organizations are complex in nature each organization has a peculiar circumstance. The performance indicators observed by Fox (2005) include "retain key employees, delivery new programs, product or service for external audiences, improving internal processes, gathering and using knowledge and managing change". The consequence of performance through entrepreneurship was expressed by Hisrich and Peters (1986) as whether for the entrepreneurs producing new ventures or innovative project team within a recognized setting, can be considered with profitability (Schumpeters, 1934; Zahra & Covin, 1995), product innovation (Jennings & Young, 1990), growth of new business enterprise (Baum, Locke, & Smith, 2001) anxiety for social benefit and public authority (Pfeffer 1994), or purely personal contentment amid the additional measures (Zahra & Covin, 1995). The dispute lies with how to determine performance in the public institution is enormous because of its non-measurability, much fundamentals and different views. In this study performance measures were focused on non-financial indicators in terms of effectiveness and alignment.

3.2 Good Governance

The main concern to the researcher in this study was the influence of good governance on organizational performance. Governance is a process of exercising power, in running the affairs of people or the environment through the management of resources in-terms of social and economic resources for the purpose of development. UNDP (2001) developed some features that were associated with good governance within eight basic characteristics these are rule of law, Transparency, Responsive, accountable, effective and efficient, consensus oriented, equitable and inclusive. However, the six measures of good governance by Kaufmann, Kraay and Mastruzzi (2009) was popular because of its lucid explanation of these factors. 1) Voice and accountability: deals with the view of free media, freedom of expression and association. 2) Political stability and absence of violence: dealt with the view on stability of tenure without taking over of power as a result of violence or terrorism. 3) Government effectiveness: dealt with the view on the quality of institutions of governance, free from political interference. 4) Regulatory quality: view on the perception of the ability of the government institutions to deliver the specific roles and promote the economy through private driven. 5) Rule of law: dealt with the perception of the citizen drive confidence in institutions of governance and abide by the rules. 6) Control of corruption: is about the perceptions in the level at which public properties were not misused for personal gain by the people in the authority.

A participatory dimension in an organization allows staff to involve in the decision making process (Adeosun 2012), participation could be exercised directly or through representation. This gives employees opportunity to explore their talent and innovation to enhance the organizational performance. Rule of law makes organization be viable and impartial. Transparency in organizations will make its activities open and impediment to bias mind and sentiments (Adamolekun 2002). Thus, the developmental roles as a normative value has made innovation noticeable in a specific manner that encouraged creativity and innovation (Jensen, 2000; Frederickson, 1999; Ohmae, 1995). The passion through which employees were allowed to use their human volition freely using their talents and creativity to become innovative will be determined based on how mistakes were overlooked, cover up used to penalize someone or perceived as learning opportunity (Brodtrick 1997).

The main factor that creates sustainable peace and harmony in an environment is good governance. Inadequacy of fund and sanctions were not the only issues that contribute to failure, but poor governance (Diamond & Morlino 2004), the concept of governance is associated with institutionalized values that include democracy, human right as well as efficiency and effectiveness of public service. The area of public management has certain method and techniques they used in enhancing the public service policies and reforms to enable government machineries operate with cost efficiency and performance effectiveness (Adeosun 2012).

3.3 External Environment

The research conducted by Covin and Slevin (1991) observes that external environment plays a major role on entrepreneurial activity either as a group or individual level. The research has used numerous Model and convention which shows that external environment play a significant role in the viability and quality of entrepreneurial activity (Covin & Slevin, 1991). The environment that surrounds the public sector Administrators is presently complex and boring more than it was previously. Thus, the need for change has become inevitable. Morris and Jones (1999) posit that change within an organization is not only determined by the resources, but also is determined by the organizational structure and managerial ideology that characterized public Institutions. It is important to note that there are certain environmental factors which favor the dire need of entrepreneurship in the public Institutions. Zahrah (1991) elucidate that the majority of environmental hostility, dynamism and heterogeneity are instrumental to the entrepreneurial process. The external environmental feature of public sector has now been observed with turbulent, excessive rise in change, difficult and complex environmental condition (Morris and Jones, 1999; Osborne and Gaebler, 1992; Miller and Friesen, 1982). Looking at the external environment of the public Institutions, this study considered three dimensions; Political, Complexity and Munificence. Despite, there are others external environmental condition that could influences entrepreneurship in the public sector. In line with the present review of literatures on public sector entrepreneurship, these three were seems to be the mechanism of external environmental dimension that have an effect on entrepreneurship within the public sector (Kearney, et al., 2010).

Public sector organizations received intense pressure from individuals and organizations for improvement of its performance to facilitate the reduction of allocation and mismanagement of public funds (tax payer) by ensuring the quantity and quality of their services is up standard. It was along this line, the public sector was confined to use other techniques that were practiced in private sector management as well (Brignall & Modell 2000).

3.4 Internal Environment

Boyne, (2002) believed that internal environmental factor of public organization has a greater influence for corporate entrepreneurship to play. In most cases public sector managers have little freedom to make a decision based on their personal volition, this goes with the fact that external environment plays an outstanding role in controlling the action of the internal organizational environment. Boyne (2002) explains, "Public Managers have the cost of hierarchy (rules and red tape) without the benefit (the freedom and power to manage their subordinate)." The entrepreneurial orientation in the public sector required a serious task of adaptation with flexibility, knowing that the rigidity of rules and red tape is against the practice of entrepreneurship. "The facilitation of entrepreneurship comes down to people, individual who will champion innovation and change" (Morris & Jones, 1999). When an organization possesses entrepreneurial features, appropriate organization structure, have a proper decision making process, established adequate control mechanism, and have employees who are entrepreneurial oriented, the more organization activities will increase in innovation and entrepreneurial process. The literatures on entrepreneurship and public sector organization indicates that internal environmental factors have three major dimensions; Structure/Formalization, Decision making and Control. However, these internal environmental factors aids public sector organization on how to learn about opportunities within, refine decision to suit their circumstances and chose the pattern assumed.

Under this environment, the study has first and foremost discerned on Structure/formalization dimension, the concern of this dimension is on the chain of command as it implies to the channels of communication within an organization which expatiates more on workflow relationships. Establishment of appropriate organizational structure is paramount to achieve any form of entrepreneurial task, which includes identification of new opportunity and changing business ideas into practical terms (Hostager, Neil, Decker, & Lorentz, 1998; Covin & Slevin, 1990). It will be important to recognize the differences between organic structure and mechanic structure, researchers like Jennings and Seaman (1994), Cornwall and Perlman (1990) and Covin and Slevin (1990) are of the opinion that organic structure is entrepreneurial because it happens in gentle and natural phenomena than to be of a sudden. Organics inclined on decentralized system of decision making, assessing information freely, absence of rigid rules and policies, less formalities and orders, (Ireland et al. 2009). In view of foregoing it is necessary for a public sector organization to have appropriate structure in place capable of entrepreneurial operation.

IV. Proposition

Based on the review of the above literature, the incorporating and justification found for the use of good governance as an additional exogenous variable. The following propositions are therefore proposed;

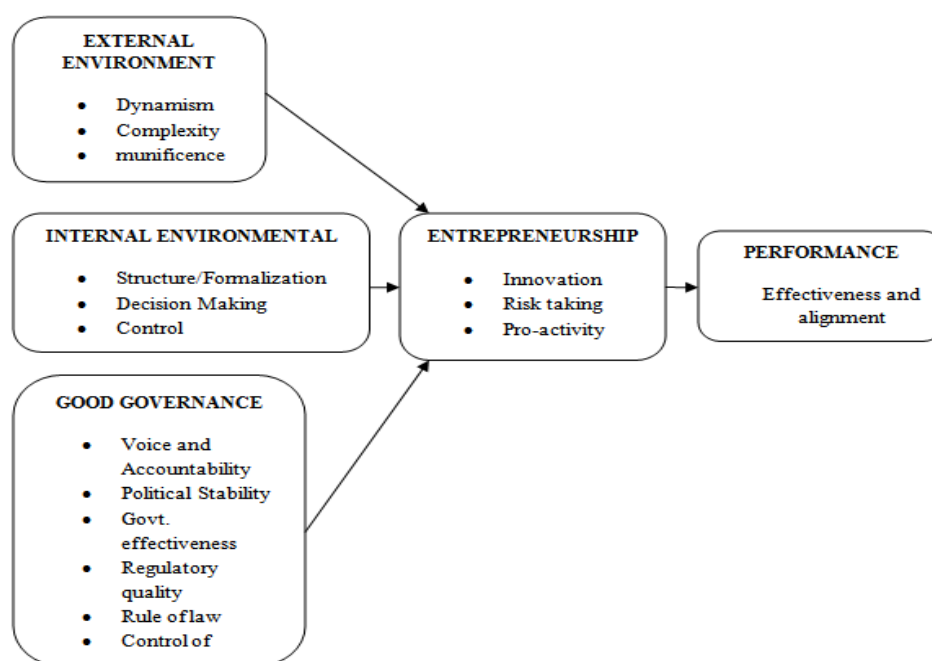


Fig.1. Research model

- P1:** There will be a positive relationship between the change that occur within the external environments of Public tertiary Institutions and performance through the mediating role of entrepreneurship.
- P2:** The changes that occur within the internal environment of the Public tertiary institution will have a positive relationship with its performance through entrepreneurial process.
- P3:** The mediating role of entrepreneurship will have a positive relationship between Good governance and performance of public tertiary Institutions.

V. Conclusion

The researches in the field of public sector entrepreneurship did not explore until now, the instant studies were developed from contribution in the fields of public administration, private sector entrepreneurship and corporate entrepreneurship, based on the influence of external and internal environmental factors in explaining entrepreneurship and organizational performance. It was submitted that, public entrepreneurship was strong as it was maintained by the previous theories. Thus, after careful analysis of their limitations, the use of entrepreneurship in the public sector has succumbed different results. The theory has been examined and proven, therefore, incorporating Good governance among the exogenous variable will contributes to explain other unique trend or context such as the public tertiary institution in Nigeria. In line with this research, the authors adapt the measurement items from the previous literature and established studies relevant to the area and empirically support the suggested model.

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