

ABSTRACT OF THE DISSERTATION

A Multidimensional Model of Public Entrepreneurship

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Since the 1970s, the public sector has been continuously pushed to improve the efficiency and effectiveness of its performance. The virtues of traditional ideas about government, however, have been challenged as significant changes in economic, societal, and cultural movements have emerged. With the goal of performing government tasks effectively, a number of market-based approaches have been introduced into the public sector. Unlike the practices of contracting-out and privatization, which reduce public sector involvement and responsibility in service provision, adopting entrepreneurial practices into the public sector through improving in-house capacities may be “the one best way” to resolve recurrent perceptions of “failing government” services.

There are still ongoing debates and doubts about the suitability of entrepreneurship to public organizations, although the enthusiasm and the widespread belief as to its applicability have received significant attention. The phenomenon of public entrepreneurship has lacked a conceptual framework and is not empirically verified. This research examines the relationships between determinant factors and three dimensions of public entrepreneurship, as well as the effects of such determinants and three sub-dimensions of public entrepreneurship on organizational performance. In particular, this study reconceptualizes the definition and the dimensions of public

entrepreneurship, and builds a conceptual model of public sector entrepreneurship by which to examine the hypothesized relationships. That model of public entrepreneurship encourages entrepreneurial arrangements within state government organization structures via empirical evidence. With this intention, the research addresses the following questions: What are the relationships between determinant factors and three dimensions of public entrepreneurship? To what extent do such determinants and dimensions of public entrepreneurship influence organizational performance at the state level?

This research employs three statistical techniques to test the proposed hypotheses: exploratory factor analysis utilizing the principal component technique, multiple regression analysis, and multiple group path analysis. Factor analysis verifies a feasible factor structure within a given set of survey questions. Multiple regression analysis examines the relationships between the determinant factors and three dimensions of public entrepreneurship, as well as the relationships between three entrepreneurial activities and organizational performance. Lastly, multiple group path analysis analyzes the effects of determinants on organizational performance.

This research identifies fifteen determinant factors which impact on adopting entrepreneurial practices in state government departments, and frames the independence of each dimension of public entrepreneurship – risk taking, innovativeness, and proactiveness. The major findings suggest that many of the determinant factors have significant impacts on risk taking and innovativeness dimensions, but less significant impacts on the proactiveness dimension. All three dimensions of public entrepreneurship result in statistically significant impacts for improving organizational performance. Therefore, the willingness to be risk taking, innovative, and proactive may lead a state

government department to be more competitive for purposes of increasing performance. Results from factor analysis indicate that all factors have direct and indirect path effects on organizational performance. The level of flexibility that has the most positive effect on performance and accountability places second as a significant impact.

Most state government agencies are aware that entrepreneurial opportunities and attempts are a key for promoting efficiency, improving performance, and delivering better service to the public. They perceive that the value of public entrepreneurship is highly evaluated as one of the core reinventing mechanisms. State organizations have the willingness to take risky and cutting-edge opportunities, but less willingness to implement such opportunities. The findings suggest that certain levels of risk-taking, innovation and proactive activities are more likely to improve state government performance. As empirically tested, state organizations need to be more organic to create and take entrepreneurial opportunities, but also require mechanisms to implement those entrepreneurial ideas supporting by entrepreneurial strategies.

This research concludes that state government organizations need to allow room for entrepreneurial activities, develop entrepreneurial principles and opportunities, and encourage entrepreneurial practices without simply transferring responsibilities by contracting-out or privatization. Entrepreneurial practices in the public sector streamline government activities, encouraging them to be more practical as well as more efficient. The model of public entrepreneurship provides a starting point to develop a more applicable entrepreneurship model to public sector management and enhance the quality of public entrepreneurship research. The fabric of public entrepreneurial attempts will become a reality through a tightly coupled configuration of public entrepreneurship.