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Workshop on Innovations in Governance and Public Service to Achieve a Harmonious Society

Entrepreneurship In Delivery Of Service In Public Sector Organization In Sri Lanka: Prospects For Administrative And Managerial Reforms

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ABSTRACT

Cutting down on the services or charging more taxes from citizens are regarded as traditional solutions to the increased constraints of resources in the public sector. Ensuring a more responsive delivery of service, public managers are expected to get more results with less resources. This paper argues that entrepreneurship in delivery of service remains a potential avenue as an alternative option to resolve inadequate government performance. This study highlights the utility of public entrepreneurship in improving the delivery of public service. The main objectives of this study are twofold: to find out the key factors of entrepreneurship in the delivery of service in the public sector organizations and to propose policy measures for managerial and administrative reforms in improving entrepreneurial behavior in the public service in Sri Lanka.

The study is based on data gathered from a random sample consisting of two hundred and ninety six officials in the public sector organizations. Officers at the managerial level were selected from central administration, field administration (divisional and district secretariats), provincial administration, local governments and public corporations in Sri Lanka.

The regression analysis results suggest that public managers’ motivation to achieve, managerial skills (technical skills, human skills and conceptual skills), goal clarity, managerial autonomy, performance based reward system, citizen participation and public support are positively associated with entrepreneurship in the delivery of service in public sector organizations in Sri Lanka.

Based on the research findings, the study proposes managerial and administrative reforms to sustain entrepreneurship behavior in the public sector organizations in Sri Lanka.

1 Introduction

A major issue in many countries, particularly developing countries, is the issue of civil service reform. There is an urgent need for administrative leaders who can give new dimensions to managing the public service in order to enhance development and democracy. Government needs to pursue efficiency and effectiveness of public service while enhancing accountability to its citizens. However, poor performance of the public sector is reported in most developing countries and Sri Lanka is no exception. In this context, entrepreneurial behavior of public managers seems to have potential. Entrepreneurship is presented as one answer to the perennial problem of failing public services (Llewellyn and Jones, 2003). Thus, this research focuses on the utility of the concept of public entrepreneurship in delivery of service in government organizations in Sri Lanka.

“Entrepreneurial Government” is emerging, in which public managers have to play an innovative role for delivering public service and the accomplishment has to be congruent with citizen satisfaction, efficiency and effectiveness. Despite the limited resource base in the public sector, peoples’ aspirations have to be fulfilled. In this context, entrepreneurial behavior could be seen as an alternative way to cope with such difficulties.

In order to respond to the peoples’ demands under the conditions of scarcity of resources, the roles of the managers in the public sector need to be changed in an innovative and proactive way to improve the performance of the government. Even in a free market economy, the government has to play a key role, to facilitate the growth of the economy and encourage development. The Sri Lankan government is no exception. However, this does not imply that public organizations are always inefficient and entrepreneurial behavior is impossible to practice there. Even in bureaucratic organizations there seems to be entrepreneurial managers who try to make changes, but cases seem to be less prevalent than in private sector organizations.
In Sri Lanka, over several decades, there have been attempts at reform for improving government performance, but most of them have failed. This is not confined only to the case of Sri Lanka; in fact in most developing countries, attempts at public service reform have failed (Polidano, 2001). According to the author, different kinds of reforms - decentralization, new public management, capacity building, have shown themselves to be equally prone to failure.

The urgency of public service reforms in Sri Lanka has been an important issue on the national agenda for some time (Root, et al., 2001). When she came to power in 1996, President Chandirika Kumarathunghe requested international assistance to deal with one of the most urgent nation’s problems, that is, poor performance of public sector organizations.

The Minister of Public Administration and Management Reforms has also emphasized a necessity of improving the efficiency of public sector (Vajira, 2002). In this respect, forces of public entrepreneurship is significant to study as it leads to improvements to the efficiency and effectiveness of provision of public service and the ultimate objective of the bureaus is providing better service to their citizens.

Thus, this study tries to examine the usefulness of entrepreneurship in the public sector organizations in Sri Lanka and tries to identify the environmental factors that facilitate managers to act in an entrepreneurial manner and propose administrative and managerial reforms towards to ensure effective delivery of service.

1.1 Entrepreneurship and Delivery of Service of the Public Sector Organizations

Even though the study of entrepreneurship has received extensive attention in the literature of business management, some difficulties arise when defining the concept. "No theory exists to explain entrepreneurship in the private market. It follows that a theory of political entrepreneurship will necessarily be complex, drawing on work from a variety of perspectives and disciplines" (Schneider and Teske, 1992: 737). According to Schumpeter (1934) the main agents of economic growth are the entrepreneurs who introduce new products, new methods of production and other innovations that stimulate economic activity.

Drucker (1985: 28) defines entrepreneurship as perceptiveness to change and the entrepreneur as one who always searches for change, responds to it, and exploits it as an opportunity. For Drucker, an entrepreneur is innovative and sees changes to his work. Entrepreneurial behavior, however, should not be limited to only the private sector as public organizations operate with limited resources, and need to find creative solutions to continue the provision of service in order to respond to the increased demands of its citizens.

Osborne and Gaebler (1992) identify an entrepreneur as one who uses resources in new ways to maximize productivity and effectiveness. In this view, entrepreneurs are those leaders who lead to success in their organizations. Lewis (1980: 9) defined a public entrepreneur as a person who creates or profoundly elaborates public organizations’ goals to alter greatly the existing pattern of allocation of scarce public resources. “Such a person arises and succeeds in organizational and political milieus which contain contradictory mixes of values received from the past. Public entrepreneurs characteristically exploit such contradictions” (Lewis, 1980: 9). Lewis defines “public entrepreneurs” is not only kinds of people but kinds of issues and organizations.

Salazar (1997) argues that public entrepreneurship is not a means to an end, but refers to public sector organizations that habitually use their resources in ways to heighten both their efficiency and effectiveness without having to be pushed from the outside, and creating the public sector movement toward improvement.
“No sustained effort is made to clarify the extent to which entrepreneurship in the public sector is really analogous to entrepreneurship in the private sector” (Schneider, Teske and Mintrom, 1995: 41). Early writers on Public Administration emphasized that governments should run more like business. However there remain differences between public service and private organizations. Some of these differences are as follows:

1) In the private sector, the emphasis is on profit, whereas in the public sector the emphasis is providing a service at minimal cost.

2) The private sector is guided mainly by internal policy, which is flexible and relatively easy to change; the public sector is guided by law and regulation, which is external to the organization, inflexible and difficult to change.

3) The private sector is customer-driven, while the emphasis in the public sector is on complying with the regulations.

4) The private sector is not strongly committed to job security, whereas the public sector employees are usually well protected. Thus it is not easy to get rid of the “deadwood” in the civil service.

5) In the private sector, competition creates pressure for efficiency and effectiveness; this pressure does not exist in the public sector, because most public services operate in a monopolistic environment.

6) Many public policies are politically motivated; thus the objectives may not be clear, and the administrators have no clear implementation guidelines or direction.

7) Public servants are seldom rewarded or recognized for doing a good job, but often punished for making mistakes. This discourages public servants from taking chances. There is more recognition for accomplishments in the private sector and usually less punishment if a mistake is made.

8) In the private sector, investment is voluntary; therefore there is an acceptance of risk by the investor. In the public sector, capital is raised through compulsory fees and involuntary taxation, and thus “investors” do not anticipate or tolerate risk of the funds they have entrusted.

Sayre (1958. Quoted in Allison, 1982: 184) however, argued that (Quoted in Allison, 1982: 184) public and private management are fundamentally alike in all unimportant respects. However, scholars argue that differences are narrowing. Despite those arguments, it could be argued that organizations in both sectors are concerned with issues of efficiency and effectiveness. When measuring the success of a public organization, care must be given to public interest and citizen satisfaction, because the main purpose of public organizations is to meet societal goals, whereas for the private organizations, profit seems to be the main motive.

It is important to note that even though entrepreneurs in private and public sectors are being challenged by both the external and internal environment, it could be assumed that external environmental factors in the public sector might be different from those in the private sector. Several scholars agree that the external constraints on public managers are different than those on private managers and they are difficult to deal with (Allison, 1982; Schneider, Teske and Mintrom, 1995).

In relation to public entrepreneurs, Robert and King (1996. Quoted in Salazar, 1997) discuss a typology of public entrepreneurship. Those are the following:

- Political entrepreneurs: elected public officials;
- Executive entrepreneurs: top level appointed officials who head governmental bureaus/agencies and possess formal, position power within the governmental system;
- Bureaucratic entrepreneurs: innovative agency staffers, who develop innovative ideas into a new program, and
• Policy entrepreneurs: officials working outside the formal boundaries of the governmental system to initiate policy change.

It seems that there is a possibility of being entrepreneurial for politicians, policy makers, street level bureaucrats, and high-level administrators, when directing their efforts towards more efficiency and effectiveness within the public service.

1.2 Research on Public Entrepreneurship

Kao (1989) notes that entrepreneurship results from the interrelationship of three elements, namely the person, the tasks and the organizational context. The author emphasizes that new ideas are not generated or implemented by organizations or technology but come into being through the effort of dedicated people. Thus, it is important to understand peoples’ personality, motivation, skills, level of experience and psychological preferences. It may be useful to know that someone has problems with authority stemming from previous relations (personality issues); or is highly driven by a need for achievement (motivation); or has a particular facility with interpersonal relations (skills); or had work experience only in large bureaucratic organizations (level of experience) (Kao, 1989).

Similarly, Salazar (1997) argues that the public entrepreneur has a much higher commitment to public interests. “Public entrepreneurs’ personality profile generally reflects a high emphasis on personal values; a respect for creativity as the hallmark of entrepreneurship; an employment of challenge which is seen as means of excitement; and stimulation in dealing with new problems; self confidence and a positive outlook” (Salazar, 1997: 131). For several scholars, motivation of managers cannot be identified as similar to private entrepreneurs or those who are motivated mostly by profits.

The task is what a given group of people or organization does and it may be determined by individual personality and is shaped by organizational strength or external environment (Kao, 1989). “What it is unique about entrepreneurship is the tendency to initiate assignments, thus entrepreneurial vision and action orientation.” (Schneider, et al., 1996. Quoted in Salazar, 1997: 132). For Salazar, basic to the entrepreneurial role is the ability to recognize and exploit opportunities. “In the public sector, entrepreneurs often construct their tasks around promoting change, raising revenues and generating and implementing creative ideas and solutions” (Salazar, 1997: 132).

Teske and Schneider, (1992) note some entrepreneurial manager constraints, particularly in getting subordinates to implement new policies successfully. Therefore, good leadership is crucial as the ultimate success of the entrepreneurial plans depend on how well policies are implemented. Mazmania and Sabatia (1980) argue that leadership is the only bureaucratic variable crucial to successful policy implementation. Teske and Schneider (1992) also emphasize that unlike business entrepreneurs, those who can pursue monetary profit, public sector bureaucrats pursue a combination of goals (Downs, 1967; Wilson, 1989). “Clearly city managers are interested in their own careers, which usually means moving up to a larger city with a higher salary, control over more resources, perhaps more autonomy and greater prestige within the profession (Kammerer, 1964; Barber, 1988. Quoted in Task and Schneider, 1994). They argue that career advancement and higher salaries are not sufficient to understand why some city managers are more entrepreneurial than others. DeSentis, Glass and Newell (1992) points that (Quoted in Task and Schneider, 1994) managers are also motivated by the desire to achieve specific policy goals by solving problems, and by a desire for public service.

Doig and Hargrove (1987 cited in Bogaards, 1997: 3) identified four external factors that provide fertile ground for entrepreneurship in public sector organizations. Those are: (1) Public Opinion (2) Democracy (3) Technology (4) Fragmented Structure of the government. "A fragmented value structure, mentioned by Lewis can be added as a fifth factor" (Bogaards, 1997: 3).
Doig and Hargrove (1987) also argued that if public opinions are contacted at the process of policy making and implementation, that makes grounds for public entrepreneurship. Doig and Hargrove (1987), and Bellone and Goerl (1992) try to reconcile public entrepreneurship with democracy. They argue that while entrepreneurship calls for autonomy, a personal vision of the future, secrecy and risk taking behavior, democratic administration demands accountability, citizen participation, an open policy-making process and “stewardship” behavior. Those authors note that the characteristic behavior of public entrepreneurs must be evaluated in terms of administrative responsibility, if their actions are to be compatible with democratic values. “A strong theory of public entrepreneurship requires a strong theory of citizenship” (Bellone and Goerl, 1992: 133).

Similar to this view, Sharp (1986 quoted in Bellone and Goerl, 1992) argues that public administrators as civic-minded entrepreneurs can go further and they can increase the ability to citizens to complain about the quality of their public services and help to facilitate correcting efforts.

Also Doig and Hargrove (1987) argued that as bureaucratic entrepreneurs, those who are mainly responsible for public needs, public opinion (citizen participation), and availability of technology may lead to effective policy innovation and better public service delivery system. “Entrepreneurial risk-taking may be more congruent with democratic stewardship, if it is proceeded by public information, discussion and formal acceptance by those who will have to bear the risk should they fail” (Bellone and Goerl, 1992: 132).

Bogaards’s (1997) study of 17 bureaucrats in the Indian Civil Service seems to be the first attempt in the field in relation to developing a national context. According to Bogaards (1997), motivation of the manager, his ability to exercise power, and his experience leads to innovation in the Indian Bureaucracy. Political interference and the existing incentive structure inhibit innovative activities. The study is important when studying the Sri Lankan case, as the characteristics of the civil service in Sri Lanka are somewhat similar to the Indian context.

Lewis identified several conditions contributing to a climate in which entrepreneurs are possible. Those conditions are lack of organizational resources, world and other crises, a pervasive belief, the reform moment, and acceleration in the division of economic and political labor.

Ramamurti, (1986): 151) argues that multiplicity and ambiguity of goals in the public sector organizations is a common phenomenon. However “Public entrepreneurs realize that their political bosses will seldom be willing or able to provide them clear goals…vague goals can be interpreted by the public entrepreneurs in a variety of ways to his personal preference so long as he is patient in pushing plans through various government agencies” (Ramamurti, 1986: 151).

Without autonomy it is impossible for managers to engage in entrepreneurial activities. “Autonomy is never handed down, but has to be earned” (Ramamurti, 1986: 151). In order to overcome this difficulty, Ramamurti argued that bureaucrats require political support for obtaining power and autonomy.

On the other hand, in relation to restrictions on personnel policies, “the public entrepreneur is quite powerless in motivating subordinates because of his limited freedom to hire, fire or reward them” (Ramamurti, 1986: 154). The author suggests that public entrepreneurs use several methods to deal with this constraint such as creating a new culture, or creating an air of efficiency to more basic changes such as delegating authority, or improving budgeting and communication systems.

Political interference can be regarded as one of main obstacles that reduce managers’ autonomy in decision-making. If there is a greater degree of autonomy, it is likely to result in higher organizational commitment. Managerial autonomy can be defined as the degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work
and determining the procedures to be used in carrying it out (Hackman and Oldham, 1980). Some argue that autonomy as freedom from influence. Nadler, Hackman and Lawer (1979) argued that as a job characteristic, autonomy is directly related to feelings of responsibility for the work. “The more people have control over how they do their work, the more responsible they feel (Nadler, Hackman and Lawer, 1979: 81). Similarly, Bogaards (1997) argues that the issue of control is not about public entrepreneurs breaking the law, but about their use of the room to maneuver within the existing political, administrative and legal set up.

For Ramamurti (1986), high visibility is believed to cramp a managers’ style and results in overly cautious behavior that discourages entrepreneurship. In order to overcome this situation, that public entrepreneurs can use the power of the media as a vehicle to convey to the public not only their organizational problems but also their achievements (Ramamurti, 1986).

Skewed reward system is another widely recognized barrier to entrepreneurship in the public sector. Ramamurti argues that the system severely penalizes managers for mistakes and failures and may not reward them for successes. Under such circumstances, no rational person would be willing to take risks but at the same time nothing would get done (Ramamurti, 1986).

The excessive concern for short-term results seems to be another barrier to public entrepreneurship. In this regard, Ramamurti (1986) argues that public entrepreneurs have to balance long- term and short- term achievement by developing a portfolio of short term and long-term projects. “They break down their vision or long term plan for their enterprise into a series of short-term projects that will satisfy several constituencies on a periodic basis” (Ramamurti, 1986: 154).

“The official grounds for transfers are “administrative reasons” and “the public interest.” Unofficial rationale behind transfers is the “politics” of personnel transfers” (Bogaards, 1997: 13). In public sector organizations especially, in higher administrative levels, political interference is a very prevalent phenomenon that discourages entrepreneurial behavior of the officials. In Ramamurti’s study (1986), restrictions on personnel policies (hiring, firing and rewarding), is one of the barriers to public entrepreneurship. Similarly, Bogaards (1997) identified politics of personnel transfers as one of discouraging factors of public entrepreneurship and argued that transferable officers have no time to wait for the policy window to open. “The temporary nature of the transfer as sanction or reward, limits the effectiveness of the transfer system in controlling administration” (Bogaards, 1997: 27). Bogaards’s case study revealed that some officers found three years as minimum to make a contribution because an officer needs time to get to know the job. He further argues that public entrepreneurs need tenure with more long- term perspectives towards development.

According to Patemen (1970), participation consists basically in creating opportunities under suitable conditions for people to influence decisions affecting them and that influence can vary from a little to a lot.

“Better citizen participation along with new sources of public revenue and better public policies and services are high standards for public administrators to try to reach” (Bellone and Goerl, 1992: 133). Bellone and Goerl (1992) note that entrepreneurial risk taking may be more congruent with democratic stewardship, if it is proceeded by public information, discussion and formal acceptance by those who will have to bear the risks should they fail. In relation to innovative processes in public sector organizations, Yin (1997) revealed that the presence of client participation was positively associated with the occurrence of service improvement. Hirschman’s (1970) classic work, “exit, voice and loyalty” lays out the basic forms of response to organizational change. In this study, Hirschman refers to voice as citizens contacting public officials or acting as individuals or groups in expressing dissatisfaction (or satisfaction).
Bogaards (1997) acknowledges two bases of support for entrepreneurs; political and public, that is, a favorable political climate and the support of the public. The model assumes that if a public manager gets political support, which means not only the support of the government but also of interest groups and the community, that may lead them to act in new ways to do their jobs. There is an assumption that the external support may lead to increased motivation for creative and innovative ideas for delivering public service. Sabatier and Mazmanian (1980) revealed that on-going political support by key interest groups and legislators throughout the implementation process is very important because without political support, policy is likely to be damaged by attacks from opponents within the legislature.

1.3 Research Hypothesis
In order to achieve the expected objectives, the study’s main hypotheses is as follows:

“Public entrepreneurship of the Sri Lanka Administrative Service is positively associated with motivation to achieve, leadership skills (technical skills, human skills and conceptual skills) clarity of goals of the organization, high degree of managerial autonomy, performance based reward system, transfer system, citizen participation and external support”.

1.4 Methodology
1.4.1 Research Design
The main objective of this research is to determine both attitudes and behaviors of the Sri Lanka Administrative officers towards entrepreneurship in the public sector organizations. By using a field survey, quantitative methods were employed at the data collection and analysis stages to provide satisfactory answers to the research questions posed in this study. The questionnaire was designed for self-administration involving various aspects of subjects to measure determinants of entrepreneurial activities of the officials within the bureaucracy.

1.4.2 Unit of Analysis
The unit of analysis is the individual bureaucrats (managerial-level) officials in the public sector organizations in the Sri Lanka Administrative Service.

1.4.3 Population, Sample and Selection of the Sample
The field survey of this research was carried out during the year 2003. The whole population is one thousand seven hundred and ninety six hundred (1796) who perform as managerial level in the public sector organizations in the Sri Lanka Administrative Service. Thousand (1000) questionnaires were sent to the managers in the service and 296 questionnaires were returned; thus, the response rate is 30 percent.

For quantitative analysis, a systematic random sample was used to ensure enough representation of the population. From a list of officials of the Sri Lanka Administrative Service, issued by the Ministry of Public Administration in Sri Lanka (2002, December), every third element in the total list was chosen for inclusion of the sample. Thus it ensures inclusion of both types of officials- those who may have higher performance as well as officials with normal behavioral patterns.

1.4.4 Data Collection
Both primary and secondary data were required to identify and examine entrepreneurship in government organizations in Sri Lanka. For this purpose, various data collection methods, such as distributing a self- administered, English language questionnaire (as the official language in Sri Lanka), and official records and documents as secondary sources of data have been used.
1.4.5 Measures of Research Variables

The dependent variable of this study, “public entrepreneurship” is a matter of degree not an either or proposition (Salazar, 1997: 129) which implies that the three dimensions (innovativeness, willingness to take risks and proactiveness) indicate the extent to which a given endeavor is highly, moderate or normally entrepreneurial (Salazar, 1997). According to the scale value, strongly agree indicates the score 1 is a higher degree of entrepreneurial behavior and strongly disagree indicates the score 7 which is a lower degree or normal behavior. The score 3 and below could be regarded as entrepreneurial behavior and the score 5 and over could be regarded as normal behavior. The score of 4 was interpreted conceptually as the medium point of the two extremes. Negative questions were scored on a reverse score.

All the independent variables, which were designed to measure the officials’ attitudes and behaviors related to their work, were scored in a similar fashion. According to the scale value, the score 7 indicates the lowest disagreement and the score 1 indicates the highest agreement. The scores 3 and below could be interpreted as higher agreement levels and the score 5 and over could be interpreted as lower agreement levels. Conceptually, the score 4 indicates the medium point of the two extremes. Again, reverse scores were used for negative questions.

The following figure lists the operational definitions of the research variables:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Operational Definitions</th>
<th>Sources</th>
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<tbody>
<tr>
<td>Dependent Variables</td>
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<tr>
<td>Public Entrepreneurship</td>
<td>A process by which managers in the public sector organizations pursue opportunities without regard to the resources they currently control.</td>
<td>(Adopted from Stevenson Roberts and Grousbeck: 1989 cited in Stevenson and Jarillo, 1990)</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>Tendency towards the generation, acceptance and implementation of new ideas, processes, products, or services.</td>
<td>(Adopted Thompson, 1965)</td>
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<td>Risk Taking</td>
<td>Tendency towards taking responsibility for their actions.</td>
<td>(Adopted from Salazas, 1997)</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>Tendency towards active search for creative solutions, service delivery, implementation and the initiation of change, responding rapidly to the situation and employing the best results.</td>
<td>(Adopted from Salazas, 1997)</td>
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<tr>
<td>Independent Variables</td>
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<tr>
<td>Motivation to Achieve</td>
<td>Motive is an inner state that energizes, activates, or moves and that directs or channels behavior towards goals.</td>
<td>(Bernard Bevelson and Grey Steiner:1964, cited in Harold F Gortner et al.,)</td>
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<tr>
<td>Category</td>
<td>Description</td>
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<td>Leadership Skills</td>
<td>The degree to which the job requires a variety of different activities in carrying out the work, which involves the use of a number of leadership skills and talents.</td>
<td>1997:269) (Adopted from Nadler, Hackman and Lawler, 1979: 82)</td>
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<tr>
<td>Technical Skills</td>
<td>Knowledge about methods, processes procedures, and techniques for conducting a specialized activity, and the ability to use tools and equipment relevant to that activity.</td>
<td>(Yukl, 1994: 253)</td>
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<td>Human skills</td>
<td>Human skill is the executive’s ability to work effectively as a group member and to build cooperative effort within the team he leads.</td>
<td>(Katz, 1955: 34)</td>
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<tr>
<td>Conceptual Skills</td>
<td>Ability to see the enterprise as a whole.</td>
<td>(Katz, 1955: 35)</td>
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<td>Goal Clarity</td>
<td>The leader is full aware of the job requirements.</td>
<td>(Wright and Taylor, 1994: 35).</td>
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<tr>
<td>Autonomy</td>
<td>The Degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work and determining the procedures to be used in carrying it out.</td>
<td>(Nadler, Hackman and Lawler, 1979: 82)</td>
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<tr>
<td>Performance Based Rewards System</td>
<td>Providing or recommending tangible rewards such as a pay increase, or promotion for effective performance, significant achievements, and demonstrated competence.</td>
<td>(Gortner Harold F. et al., 1997: 349)</td>
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<tr>
<td>System of Transfers of</td>
<td>Involving inter and intra- agency Transfer. Inter agency transfer refers to appointment to one agency during continuous service in same jurisdiction. Intra- agency transfer refers to a change of position, from one organizational unit to another in the same agency without break in service of one workday.</td>
<td>(Torpey, William G., 1953: 123)</td>
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<tr>
<td>Citizen Participation</td>
<td>Creating opportunities under suitable conditions for people to influence decisions affecting them. That influence can vary from a little to a lot.</td>
<td>(Pateman Carole, 1970: 67)</td>
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<tr>
<td>External Support</td>
<td>Refers to the extent to which politicians, the mass media, the general public and interest groups support the policy / program/ changes initiated by the officials and criticize those who do not perform well.</td>
<td>(Adopted from Thawilwadee, 1999 and Teske and Schneider, 1994)</td>
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1.4.6 Methods of Data Analysis
As quantitative analysis, the explanation of the study takes the form of deductive method approaching a causal model. The dependent variable in the analysis is the measure of public entrepreneurship and independent variables in the analysis are motivation to achieve, leadership skills (including technical skills, human skills and conceptual skills), goal clarity, managerial autonomy, performance based reward system, system of transfer, citizen participation, and external support.

Statistical Software Package-SPSS (10.0 version) was a tool for compiling and processing data. Several statistical tools were employed for data analysis in the quantitative part of the study.

Descriptive statistics were used to summarize, average the research data and to describe main characteristics of the research sample. Also reliability analysis, correlation analysis and multiple regression analysis were used.

1.5 Demographic Characteristics of the Respondents
According to the field data, about 74 percent are male and the average age was 48 years old. About 91 percent of the officials are Sinhalese who is the major ethnic group in the country. About 60 percent of the officials majored in Arts, in which normally Economics and Sociology are the main specialization while 20 percent of the officials majored in Commerce and Management fields. About 45 percent of the officials hold bachelor degrees while 42 percent of the officials hold Postgraduate and Masters Degrees. About 7 percent have received no training programs for the last 5 years, while nearly 60 percent of officials have received less than 5 training programs. About 36 percent of the officials have 11 to 20 years work experiences and less than 1 percent of officials have 38 years in experience, which is the maximum number of years of service. About 49 percent of the officials work under the central administration. About 47 percent serve in the highest grade, that is, class I administrative position. The types of organizations in which the officials work can be classified as government ministries and their departments, field administrative offices (district and divisional secretariats), public corporations under the central government and ministry and its departments in provincial councils under the local governments.

1.6 Data Validity and Reliability
For theoretical and observational meaningfulness, all the measures of the study were developed by well-grounded theory. The measures of public entrepreneurship are based on the stream of literature that is still developing. Other measures of the study were based on strong literature to support the theoretical validity of the study.

For reliability of the variables, Cronbach’s coefficient alpha was calculated to evaluate the reliability of the measures. An alpha level of 0.70 or above is generally considered to be acceptable (Cronbatch, 1951). All the measures in the survey exceeded this threshold with the exception of performance based reward system (alpha = 0.69) and public support (alpha = .60). As the alpha values are greater than .50, they can be considered as acceptably reliable in general; thus, those coefficients seem satisfactory enough to be included in further analysis of the study.

1.7 Correlation of the Research Variables
Inspection of correlation coefficients will help to determine that there is no multicollinearity problem among them. Pearson product–moment correlation matrix of the research variables included in the study are shown in Table 1. The correlation matrix shows statistically significant correlations in the expected direction between public entrepreneurship and all the variables of the model except performance based reward system and transfer system. According to the correlation analysis, public entrepreneurship is positively correlated with motivation to achieve (p < 0.01),
technical skills (p < 0.01), human skills (p < 0.01) conceptual skills (p < 0.01), goal clarity (p < 0.01), managerial autonomy (p < 0.01) and public support (p < 0.01). No significant correlation was found between public entrepreneurship with performance based reward system and transfer system. The correlation coefficient value ranged from .009 to .448, showing that there are no multicollinearity problems among the independent variables. As the correlation matrix indicates, the inter-correlations among the variables were low, thereby minimizing the problem of multicollinearity.

Table 1. Pearson Product-Moment Correlation Matrix for All Variables

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<tr>
<th>Variable</th>
<th>PE</th>
<th>MOT</th>
<th>TECS</th>
<th>HS</th>
<th>CS</th>
<th>GC</th>
<th>MA</th>
<th>PBR</th>
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<td>PE</td>
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<td>MOT</td>
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<tr>
<td>HS</td>
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<td>.149*</td>
<td>.234**</td>
<td>1.00</td>
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<td>CS</td>
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<td>.448**</td>
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<td>GC</td>
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<td>.058</td>
<td>.235**</td>
<td>.292**</td>
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<td>MA</td>
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<td>.143*</td>
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<td>.052</td>
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<td>.052</td>
<td>.204**</td>
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<td>.136*</td>
<td>.105</td>
<td>.020</td>
<td>.183**</td>
<td>1.00</td>
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</table>

**Correlation is significant at 0.01 level, *Correlation is significant at 0.05 level.


1.8 Test Results

By employing Ordinary Least Square (OLS) Regression model, all independent variables of the model enter the regression equation at once because the relationship between the whole set of predictors and the dependent variable needs to be examined (Coakes and Steed, 2001).

The structural equation for prediction of determinants towards public entrepreneurship could be expressed in the form of the following equation:

\[
PE = B0 + (B1.MOT) + (B2.TECS) + (B3.HS) + (B4.CS) + (B5.GC) + (B6.MA) + (B7.PBR) + (B8.TS) + (B9.CP) + (B10.PUBS) + e
\]

Wherein

Table 11 presents the major test results.

**Table 11. Regression Results of Public Entrepreneurship (Ordinary Least Square (OLS) Regression Model)**

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Standardized Regression Coefficient</th>
<th>T- Value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation to Achieve</td>
<td>.093</td>
<td>1.918</td>
<td>.056</td>
</tr>
<tr>
<td>Leadership Skills</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Technical Skills</td>
<td>.100</td>
<td>2.057</td>
<td>.041</td>
</tr>
<tr>
<td>- Human Skills</td>
<td>.128</td>
<td>2.412</td>
<td>.017</td>
</tr>
<tr>
<td>- Conceptual Skills</td>
<td>.221</td>
<td>4.013</td>
<td>.000</td>
</tr>
<tr>
<td>Goal Clarity</td>
<td>.167</td>
<td>3.243</td>
<td>.001</td>
</tr>
<tr>
<td>Managerial Autonomy</td>
<td>.104</td>
<td>2.082</td>
<td>.038</td>
</tr>
<tr>
<td>Performance Based Reward System</td>
<td>-.176</td>
<td>-3.635</td>
<td>.000</td>
</tr>
<tr>
<td>Transfer System</td>
<td>.041</td>
<td>.866</td>
<td>.387</td>
</tr>
<tr>
<td>Citizen Participation</td>
<td>.192</td>
<td>3.969</td>
<td>.000</td>
</tr>
<tr>
<td>Public Support</td>
<td>.155</td>
<td>3.242</td>
<td>.001</td>
</tr>
<tr>
<td>Constant</td>
<td>3.450</td>
<td>2.107</td>
<td>.036</td>
</tr>
<tr>
<td>R</td>
<td>.636</td>
<td></td>
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<tr>
<td>R²</td>
<td>.404</td>
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<td>Adjusted R²</td>
<td>.383</td>
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<tr>
<td>F</td>
<td>9.347</td>
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</tr>
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</table>

The results indicate that a statistically significant relationship between the dependent variable and independent variables. Motivation to achieve (p< .05), technical skills (p < .05), human skills (P< .01) and conceptual skills (p< .000) Goal clarity (p< .001) and managerial autonomy (p< .05) Citizen participation (p< .000) and public support (p< .001) have shown significant relationships with public entrepreneurship.

However, Statistically, the relationship is significant between public entrepreneurship and performance based reward system (p< .000) the beta coefficient is negative (B = -. 176) indicating an inverse relationship. The result is not expected; perhaps, the reward system may not be based on the performance or achievements of the officials, which resulted an inverse relationship. Detailed research, however, is required to further analyze and clarify this point.

It indicated that no statistically significant relationship was found between the transfer system and public entrepreneurship. Except transfer system, all these variables in the model were significantly associated with public entrepreneurship. As proposed in the model, the test results confirm that those variables are positively associated with public entrepreneurship, except performance based reward system, which was negatively associated with the dependent variable. The set of nine variables was found to explain 40.4 percent of variance in public entrepreneurship.

1.9 Discussion of the Results
The study assumed that motivation to achieve, leadership skills (human skills, technical skills and conceptual skills), goal clarity, managerial autonomy, performance based reward system, transfer system, citizen participation and public support were positively associated with public entrepreneurship. It was examined whether those hypothesized variables are determinant factors of public entrepreneurship, the Ordinary Least Square Regression model was employed. In this
analysis, it was identified that except transfer system, other variables were significantly associated with public entrepreneurship. However Performance based reward system showed a negative relationship with the dependent variable.

This empirical study contributes to the study of public entrepreneurship by considering entrepreneurial behavioral and attitudes of the officers in the public service in Sri Lanka. The study focused upon the relationships between the independent variables and the aggregate entrepreneurship variable. As noted in the literature, entrepreneurship appears to be a multidimensional concept comprising three dimensions: innovation, proactiveness, and willingness to take risk. The Cronbach Alpha coefficient for 13- items of entrepreneurial variable is strong (alpha = 0.81) indicating a high level of reliability to be used in the further analysis. As discussed in the literature, the empirical study also confirmed that the behavioral and attitudinal aspects of entrepreneurial style consist of innovativeness, willingness to take risks and proactive behavior at their work.

It is hypothesized that Motivation to Achieve and Leadership Skills have a positive relationship with public entrepreneurship. The result also confirms that officials' motivation to achieve and leadership skills are positively associated with the dependent variable as hypothesized.

In this study, motivation to achieve was measured by four items to represent the achievement needs rather than having more salary or income. The reliability coefficient of the measure seems strong (alpha = .7534) thus the data supported that motivation to achieve is a significant factor (p< .05) of public entrepreneurship. This is consistent with the findings of Salazar (1997), Teske and Schneider (1994), and Bogaards (1997).

According to the related literature, leadership skills are assumed to be three types; technical skills, human skills and conceptual skills (Katz, 1955 and Hick & Gullett , 1981). As Hitt (1993) noted, conceptual skills are related with the term, "reasoning" which is dealing with ideas and concepts, thinking logically, thinking creatively and thinking holistically and effectively communicating. The measurement of conceptual skills consisted of six-items to represent those dimensions and the reliability coefficient seems very strong (Alpha = .8291). According to the empirical data in the study, the beta coefficient of conceptual skills is higher than other variables of the model (Beta = .221). It also indicates that the conceptual skills (p< .000) influence public entrepreneurship in the Sri Lanka Administrative Service more than technical skills and human skills.

According to Katz (1955) human skills are defined as the ability to work effectively as a group member and build cooperative efforts within the team. This is related to the ability for getting subordinates’ compliance, which is crucial to delivery of public services (Teske and Schneider, 1994). Human skills consisted of three items: ability to get necessary information, ability to interact with other people and ability to delegate responsibilities to subordinates. The reliability coefficient is satisfactory (alpha = .6489) and the data also supported that human skills is also a determinant factor (p< .01) of public entrepreneurship of the Sri Lanka Administrative Service.

Technical skills involves with the specialized knowledge and ability to do work, which mainly depends on education level, experience and training. In this study, to measure technical skills, two items were used to represent the concept. As most of the officials are degree holders and are given compulsory training prior to their first appointments, it was assumed that they have the required technical skills. The reliability coefficient of technical skills is .6287. The empirical data supported that technical skills also influence (p< .05) public entrepreneurship.

Kao (1989) emphasized that entrepreneurship is mainly an individual phenomenon. The officials’ personalities and capabilities are crucial factors according to the findings of the research.
Even though public managers in the bureaucracy face extra difficulties such as lack of resources, rigid rules and regulations, exceptional performance in this area constitutes what Schneider, Teske and Mintrom,(1995) called “entrepreneurial leadership.” As the literature noted, leaders’ skills, that is, their competencies and abilities are assumed to be associated with the success of the organization. Those arguments are supported by the data. Thus the leadership skills are very significantly associated with entrepreneurial activity in the Sri Lanka Administrative Service. It is implied that public entrepreneurship requires public entrepreneurs.

It is hypothesized that Clarity of Goals and Managerial Autonomy also have a positive relationship with public entrepreneurship. The data strongly supported this prediction, consistent with the arguments of Ramamurti, 1986; Salasaz, 1997; Moon, 1999 and Bogaards, 1997. It was predicted that if the person is fully aware of the task requirements, success could be achieved more easily. As Ramamurti (1986) argued, goal ambiguity is one of barriers of public entrepreneurship. If the vision of the organization is clear, actions can be designed accurately towards achieving them. One entrepreneurial role is the ability to recognize and exploit opportunities (Salasaz, 1997); this can be done effectively when there are clear goals. In practice, especially in the public sector, organizational goals may not be clear, due to political influences. In this study, two items were used (organizational goals are very clear and well aware of the job requirements) to represent the concept. The reliability coefficient of the variable is strong (alpha = .7690) and the empirical data supported those arguments by indicating a significant, positive relationship (p< .001) between clear goals and public entrepreneurship.

The result also indicated a positive significant relationship between managerial autonomy and public entrepreneurship. Managerial autonomy refers to the degree to which the job provides substantial freedom, independence and discretion to the individual in scheduling the work and determining the procedures to be used in carrying it out (Hackman and Oldham, 1980). In this regard, Ramamurti (1986) argued that limited managerial autonomy and high potential interference discourage innovation and public entrepreneurship. Thus political interference may be one of the obstacles limiting managerial autonomy. In this study, two items were used to measure managerial autonomy: the job permits me to decide on how to carry out duties, and the job gives considerable opportunity for independence. The reliability coefficient of the variable is strong (alpha = .8312). The empirical data indicated a significant, positive relationship (p< .05) between managerial autonomy and public entrepreneurship. Entrepreneurship involves introduction and implementation of innovative ideas; if officials have a higher degree of autonomy, then they may be encouraged to employ innovative ideas to perform the task more effectively.

It is hypothesized that Performance Based Rewards System and Transfer System are positively related with public entrepreneurship. The test results indicated a negative, significant relationship between public entrepreneurship and performances based reward system (p< .000). No statistical significant relationship, however, was indicated between transfer system and public entrepreneurship. These results are not expected.

Performance based reward system was measured by using three items: salary increments are based on job performance, promotions are based on achievement and organization gives rewards to those who perform well. The beta coefficient (B = -.176) indicated a negative sign. The reason for the negative relationship between performance based reward system and public entrepreneurship may be due to the fact that most officials’ did not agree with the questions related to the reward system in the questionnaire. They did not agree that the existing reward system is based on their performance. The data also indicated that the reward system negatively influences entrepreneurial work.

It was predicted that personal transfer system is positively associated with public
entrepreneurship. Ramamurti (1986) and Bogaards (1997) argued that irregular and non-systematic (temporary nature of transfers and political interference in the system) discourage public entrepreneurship. Based on those arguments and considering the nature of the transfer system in the Sri Lanka Administrative System, it was predicted that a systematic personnel transfer system is positively associated with public entrepreneurship. The study argued that a systematic transfer system, which requires at least three years tenure period to design and carry out innovative ideas and changes, was not supported by the results. No statistically significant relationship was found between transfer system and public entrepreneurship. The unexpected result suggests that the existing transfer system is not an influencing factor on public entrepreneurship. Further research is, however, required to provide a better explanation.

It was hypothesized that Citizen Participation and Public Support have a positive relationship with public entrepreneurship. The results confirmed that the two factors have strong, positive relationships with the dependent variable. Strong theory of public entrepreneurship requires a strong theory of citizen participation (Bellone and Goerl, 1992). Similarly, Mohr (1969) argued that innovation is determined by the extent of acceptance or resistance of the community to new practices. Citizen participation here means involvement of the beneficiaries (clients) in the public delivery system. The idea of citizen participation as beneficiaries, having opportunities for involvement in policy planning and implementation, is a basic idea behind the concept of democracy. By participation in the policy process, accountability of the officials can be increased, especially when designing and implementing new programs in the public service. It was expected that citizen participation is a strong predictor of public entrepreneurship. Citizen participation was measured by using two items: getting clients’ ideas for planning and implementation, and getting feedback to understand client’s needs. The reliability coefficient of this variable is strong (alpha = .8461). The data indicated a strong positive relationship between citizen participation (p< .000) and public entrepreneurship by confirming the theoretical arguments of Bellone and Goerl, 1992 and Mohr, 1969.

It was also expected that public support has a positive association with public entrepreneurship. Public support refers to the ideas of the community and the media that support the officials’ work. In relation to the Indian civil service, Bogaards (1997) argued that public entrepreneurs used public support to balance political pressure. To measure public support, two items were used: media attention and conducting public hearings. The reliability coefficient is alpha = .6005 and still remains in the acceptable level. The results indicated a positive significant relationship (p< .001) between public support and public entrepreneurship by confirming the theoretical arguments.

Those variables, motivation to achieve, leadership skills, goal clarity, managerial autonomy, performance based reward system, citizen participation and public support, explain 40.4 percent of the variance in public entrepreneurship.

1.10 Research Implications For Effective Delivery of service

1.10.1 Public Entrepreneurs Have Higher Achievement Needs

The empirical results suggest that entrepreneurs in the public service differ in their personal characteristics and in particular, their aspirations and work expectations. Public entrepreneurs found in this research indicated strongly that they need to serve the country, to resolve the country’s problems or need recognition by doing good work. The motivational factors considered in this research are likely to influence the degree of innovativeness and changes at their worksites.
1.10.2 Public Entrepreneurs Differ in their Leadership Skills

It is said that the bureaucracy in the government is similar to the Weberian type; it is highly structured and does not provide any encouragement to do entrepreneurial work. Despite the rigid structure, the research found that there is some innovative work in the Sri Lanka Administrative Service. The main reason is due to personal characteristics, especially leadership skills. The data implied that in order to become public entrepreneurs, it required being both good managers and leaders in their organizations rather than merely doing routine work as a traditional administrator. As a manager he/she must be capable of getting the job done. As a leader, various leadership skills, including technical skills, human skills and conceptual skills are useful when introducing and implementing entrepreneurial activities. If the managers possess a high degree of conceptual skills, human skills and technical skills, there is more potential for them to be entrepreneurial. The public entrepreneurs found in the Sri Lanka Administrative Service exhibit these skills in their work.

1.10.3 Clear Missions and Goals of the Organizations Encourage Public Entrepreneurship

The research has found that clear mission, goals and objectives; make significant contributions to public entrepreneurship. If there are no clear goals and mission, bureaucrats in the service become discouraged and unmotivated. Conversely, when managers are aware of what they are doing, they are likely to introduce new ideas and changes. In this line, the organizations should have a clearly defined mission and accordingly lay down its objectives to be transformed into specific, attainable goals. It can be implied that, if there are ambiguous goals, managers tend to stick with the existing rules and regulations to prevent making mistakes; they are also reluctant to engage in entrepreneurial activities.

1.10.4 A High Degree of Managerial Autonomy Encourages Public Entrepreneurship

Managerial autonomy appears to have a direct impact on public entrepreneurship. Managerial autonomy is defined as freedom from influence (Dill, 1958). Thus, an official should be independent in formulation of tasks or carrying through courses of actions. Public managers require more power without political interference. Some public entrepreneurs in the Sri Lanka Administrative Service stated that they have earned managerial autonomy through their good reputation for making better decisions on the job.

1.10.5 A Proper Performance Based Reward System would Encourage Public Entrepreneurship

The research findings implied that a performance based reward system makes a significant difference to public entrepreneurship. The test results, however, indicated a strong, negative relationship between the current reward system and public entrepreneurship of the Sri Lanka Administrative Service. The negative relationship might suggest that the reward system of the Sri Lanka Administrative Service is not related to the officials’ performance and achievements and, as a result, discourages innovative activities. This implication is consistent with Bogaards (1997) and Ramamurti (1986). They argued that skewed reward systems discourage innovative work.

1.10.6 Citizen Participation Encourages Public Entrepreneurship

As the research findings indicate, there is a strong relationship between citizen participation and public entrepreneurship. Pateman (1970) defines citizen participation as creating opportunities under suitable conditions for people to influence decisions affecting them. Thus having clients’ ideas at policy planning and implementation, and providing feedback on the delivery of the service would provide broad avenues for public entrepreneurs to find new and more innovative options for improving public service. At the introduction of innovative ideas, the official must ensure accountability of their work. By taking peoples’ ideas as inputs at planning and implementation, more accountability could be ensured. Thus citizen participation could make public
entrepreneurship and democracy more compatible (Bellone and Goerl, 1992). The findings of this study with regard to citizen participation are consistent with previous research findings. The respondents in the in-depth interviews were very supportive of citizen participation.

1.10.7 Public Support Encourages Public Entrepreneurship

Another implication is that general public and media support is also matters that make a difference to public entrepreneurship. Indeed, at the introduction of new ideas or changes, general public support and the media would be more useful. Since public support appears to have a direct impact on public entrepreneurship, managers are aware of this issue and make an effort to obtain support.

1.11 Policy Recommendations for Management and Administrative Reforms

Based on the research implications the following suggestions could be outlined for improving the entrepreneurial behavior in the public sector organizations in Sri Lanka.

1.11.1 Reforms are Required to Cater to the Different Motivational Needs

Public entrepreneurs found in this research, have different motivational needs; specifically, they indicated higher achievements needs. This suggests a necessity for managerial and administrative reforms or policies to be responsive to such differences and to provide the most adequate stimulus for them.

Ramamurti (1986) suggested that some public entrepreneurs are motivated by non-economic rewards such as power, prestige, glory, a challenging job, and the satisfaction of "serving the country." Similarly, in this research, it was found that public entrepreneurs' work expectations and aspirations were either to serve the country, solve the country’s problem or to obtain more recognition and career development. Therefore, salary increases as a motivational device may not induce those officials to behave in an entrepreneurial manner. "The public entrepreneurs have a much higher commitment to public values. Their means of satisfying this personal need causes them to behave in functional, entrepreneurial ways in government" (Salazar, 1997: 131).

1.11.2 Special Training and Workshops in Improving Required Skills

Various kinds of leadership skills are required to develop, including conceptual skills, human relations skills, and technical skills. These will be discussed in turn.

a. Development of Conceptual Skills

It was revealed in this research that conceptual skills are found to be a major influence on public entrepreneurship. Conceptual skills involve the ability to view the organization in macro or strategic terms (Hicks and Gullett, 1981: 480). The conceptual skill allows them to think strategically, to see the "big picture", and to make broad –based decisions that serve the overall organization (Griffin, 1996). As public entrepreneurs were found in the Sri Lanka Administrative Service who are involved in higher managerial level in public organizations, long-term planning, broad thinking skills and capabilities are also required. Under conceptual skills, managers' ability to visualize the most appropriate response to a situation seems to be useful. This kind of ability is termed as diagnostic skill (Griffin, 1996).

As administrative reforms, training and skill development programs for the managers in this direction would encourage more entrepreneurial activities, for instance, special assignments, particularly, the kind which involve inter departmental problems, and management boards, in which junior executives serve as top management on policy matters (Katz, 1955). Also, as Katz suggested for developing conceptual skills, it may also be useful to use a case study approach of problem solving and share the experience of handling specific complex situations. It is also important to develop managers’ diagnostic skills. Thus the managers could develop his ability to diagnose and analyze a problem in the organization by studying its symptoms and then developing
solutions (Griffin, 1996). Giving trainees the opportunity to analyze work performance cases could develop these skills (Wright and Taylor, 1985). These authors noted that the leadership skills could only be acquired through practice with feedback and guidance. However there are some possibilities to acquire some basic knowledge concerning skills from reading a book, or tips on how to improve it, hearing an expert talk about skills, role playing, or watching a skillful person perform it (Wright and Taylor, 1985).

b. Development of Human Relations Skills

The research also found that as a leader of the organization or in their departments, the type of human relations skills (interpersonal skills) are another aspect to be developed for introduction and implementation of entrepreneurial activities at their work. Human relations skills are concerned with the interpersonal relations between managers and the persons with whom the manager comes in contact. It also concerned with applying external motivation to group members and obtaining cooperation from both peers and supervisors (Gullett, 1981). By developing managers’ leadership skills in the direction of improving human relations, training programs and workshops are required to develop their communication abilities with the emphasis of presentation skills, ability to handle meetings, workshops and seminars and etc. Human skills require a variety of approaches according to the situation, thus there is no one best way actually to carry out such an interaction (Wright and Taylor, 1985).

c. Development of Technical Skills

Another aspect of leadership skills is termed as technical skills. Technical skills are the skills necessary to accomplish or understand the specific kind of work being done in an organization (Griffin, 1996). It was revealed that because there is no proper training system for subordinates, they do not have sufficient knowledge to work better. Also it was found that due to lack of training opportunities for the regional level officials, they have difficulty effectively performing their work.

In this case, as most officials of the Sri Lanka Administrative Service are graduates, and have been given special training at their recruitment, thus it was assumed that they are similar in their educational and subject knowledge to some extent. If they are provided continuous training and especially postgraduate level education qualifications (Masters and Postgraduate Diplomas to have diverse knowledge), their subject knowledge relevant to the field would be improved. In the same vein, seminars, and workshops on new management concepts (short-term training), study tours and other related educational programs are required to keep administrators current. This is particularly important in areas where technology is advancing rapidly.

1.11.3 Establishing Long- Term National Policies with Clear Goals

The absence of national policies makes it difficult for public servants to understand the mission or goals of their organizations. The lack of national policy creates another problem as this condition encourages more opportunities for political intervention and interference in the work of the officials. When establishing long- term national policies for the country, the steps in the policy process must be followed. The first step in the policy process is to find the existing and potential issues of the government (Hogwood and Gunn, 1984). Having identified major issues, then those problems should be defined clearly. After that, policy makers can set up clear missions, goals and objectives for their respective organizations.

1.11.4 Higher Degree of Managerial Autonomy

Managerial autonomy has a direct impact on public entrepreneurship, according to this and other studies. Managerial autonomy is defined as freedom from influence (Dill, 1958). Thus officials should be independent in formulation and tasks or carrying out courses of actions. The respondents stated that public managers require more power with less political interference. In this regard, the following reforms are suggested.
1.11.5 Need for an Independent Public Service Commission

It was revealed by this research, especially in the in-depth interviews that unnecessary political interference is a major problem, not only in the Sri Lanka Administrative Service, but also in the whole public service. Political interference reduces managerial autonomy and restricts the public managers from functioning at top efficiency. Indeed, some respondents mentioned in the questionnaire as extra information that more questions relating to political interference should have been included. Many respondents implied that higher degrees of political interference discourage their innovativeness. “Political interference in the Sri Lanka Administrative Service is at all the stages and due to this involvement, the job security that is given the officials by the constitution is not enough.” Some respondents indicated that there is not sufficient opportunity for independent work and decisions for some officials, as they have to please politicians.

Thus, the political authority remains as the major factor that inhibits innovative and creative activities of the officials. Politicians need to clearly understand their political role and their responsibility in the policy process. If they did, unnecessary political interference could be reduced to a great extent. Public officials would then be able to make administrative decisions on their own. In short, politicians should determine the “what” of policy, but leave it to administrators to determine how the policy should be implemented. There is a need to have a better decision-making culture in the public service agencies along with updated procedures that would help them to perform better.

Before the 1972 constitution, there was an Independent Public Service Commission which was free and unfettered by any political influence or intervention (Wijewardene, 2002). After the 1972 constitutional reforms, the cabinet ministers became responsible for the appointment, transfer, dismissal, and disciplinary control of state officers and are answerable therefore to the National State Assembly, (Wijewardene, 2002). This had the effect of politicizing recruitment and selection, transfers, and promotions. There needs to be a new authority such as an independent public service commission with sufficient power to prevent any political interference in the officials’ activities.

1.11.6 Autonomy and Power for Gaining Compliance and Rewarding Subordinates

In the process of introduction of innovative ideas and changes at work, subordinate compliance is very essential. The existing administrative system does not give power and authority to the officers of the Sri Lanka Administrative Service over their subordinates. The majority of employees would respond positively and effectively to any endeavor that improved their working conditions, if they are satisfied that their efforts will be recognized. The respective managers should have considerable managerial autonomy to motivate and give rewards to their staff in order to get their maximum compliance and cooperation.

1.11.7 A Proper Performance Based Reward System

Even though a statistically significant relationship between the reward system and public entrepreneurship of the Sri Lanka Administrative Service was found, the results showed an inverse association with the dependent variable. It was revealed that the existing reward system discourages extra effort and the organizations do not have a system based on achievements or performance.

Similarly, some officials have pointed out that innovative actions could be accelerated, if appropriate incentives could be introduced. It could be in the form of promotions, or scholarships or financial bonuses. In the public sector in Sri Lanka, after 54 years of independence, the procedures, rules and regulations have undergone little or no change, in spite of the fast moving global trends. One official suggested, “one prerequisite to public entrepreneurship would be to overhaul or get rid of antiquated systems, procedures, rules and regulations in the public sector, particularly the ones that appear to stand in the way of officers being inclined towards innovative action. In addition, the introduction of incentives might be appropriate.”
“The efficiency of the service is largely untapped, to utilize this capacity, good human resources practices are needed. A system to measure efficiency and performance is needed. Officials should be given targets and achievement measured against those targets.” Further, some other officials have revealed that a senior government officer may not be offered any senior position in the service, unless she/he has political backing. “Seniority, efficiency, hard work, and devotion are no longer the major factors for promotion or career development.”

Political and other influences should not be involved in issues of promotion and transfer. “It is very important, that there is a method to measure the work, and that an official’s promotion or transfer is based on those measurements”. These arguments emphasize a necessity of a proper performance appraisal system. Again, a new independent public service commission to handle matters such as rewards, promotions, and transfer would lead to better governance of the public sector and improved productivity.

1.11.8 Effective Mechanisms to Facilitate Citizen Participation

Osborne and Gaebler (1992) argued that entrepreneurial governments have begun to transform themselves. “They have to listen carefully to their customers, through surveys, focus groups, and a wide variety of other methods” (Osborne and Gaebler, 1992). Thus to improve citizen participation, several mechanisms such as meetings with clients groups, policy evaluation by the clients, allowing more opportunities for clients’ complaints (such as introducing interactive web sites, complaint and suggestion boxes in the office), and surveys on clients’ satisfaction could be implemented. By employing those approaches, citizen participation, accountability and transparency of the service could also be ensured.

1.11.9 Mechanisms to Obtain Public Support

Conducting public hearings, panel discussions, public surveys, public seminars and workshops could be regarded as some devices for getting public support. Public awareness programs could be undertaken by getting the support of the mass media.

Mass media has an important role to play with regard to the service rendered by the government. It can be used to acknowledge the people and publicize changes to the public delivery system. Currently mass media seems only to criticize the public sector. They need to present a more balanced approach. Thus, it is important to note that the media personnel should be acquainted with the mission and the role of the public sector institutions. Some media personnel do not have much knowledge regarding the difference between the service rendered by the public and private organizations. In the absence of such knowledge, they might present an inaccurate picture and do irreparable harm to some programs.

1.11.10 Adjustments to Financial and Administrative Regulations

The public officers are governed by the standing procedures, related administrative regulations and financial regulations according to the establishment code. Most public entrepreneurs don’t wish to see radical changes to those regulations and rules. Indeed, they emphasized that those rules and regulation are important to maintain transparency, accountability and also to prevent unnecessary political interference. Therefore they should be used as guidelines. Those respondents argued that officials must have the ability to interpret those rules and regulations for doing innovative work rather than doing nothing. Therefore necessary changes are required in this direction with modification according to new economic and social aspirations.

1.11.11 Cultivating Good Attitudes and Ethics

Some scholars argue that public entrepreneurship would be practiced better within the context of an ethical environment. Ethical considerations play an important role in entrepreneurial activity and the values that are congruent with it. This suggests that public entrepreneurship can be helped to high ethical standards and developed to serve the public interest (Linda, 1996). Therefore it is useful to introduce a kind of code of ethics (such as to save money, to
reduce waste, to protect the public resources and improve the system, to be cost conscious, etc). Also public officials should be development and client oriented.

1.11.12 Educational Programs for Politicians to Maintain a Better Political and Administrative Culture

Apart from the above reforms, it may be useful to arrange continuous programs and workshops for developing a broader understanding and cooperation between the administrative service and politicians. That may be one way to reduce unnecessary political influence. There is a need to have good cooperation and harmony between politicians and public officials. In this line, some political and educational programs related to such topics as social and political responsibility, good governance, accountability, transparency, and ethics for politicians (especially, for inexperienced and young politicians) would also be useful.

1.12 Summary and Conclusions

Osborne and Gaebler (1992) introduced public entrepreneurship as a third option for coping with inadequate governmental performance. Research on public entrepreneurship in the context of developing countries is virtually non-existent, except the recent work by Bogaards (1997). The study of Bogaards (1997), focusing on public entrepreneurs in Indian Civil Service using a case study format, seems to be the first attempt in this direction. This research is the first attempt in the direction of developing a comprehensive study to explain public entrepreneurship within the public sector organizations in the Sri Lanka.

The main objectives of this study are to find out key determinants of public entrepreneurship and make recommendations leading to management and administrative reforms in improving public entrepreneurship of the Sri Lanka Administrative Service toward an effective delivery of service.

The tests results indicated that the officials’ motivation to achieve (p<.05), technical skills (p<.05), human skills (p<.01) and conceptual skills (p<.000), goal clarity (p<.001) and managerial autonomy (p<.05), performance based reward system (That indicated an inverse, significant relationship), (p<.000), citizen participation (p<.000) and political support (p<.05) are positively associated with entrepreneurship in the public sector organizations in Sri Lanka.

The transfer system, at least statistically, is not a significant factor.

These empirical results provided some initial support for expanding public entrepreneurship research using a more integrative approach to include more variables in the study. Thus, this study adds to the existing body of knowledge by examining public entrepreneurship in a more detailed, comprehensive and systematic manner than previously attempted. Thus, it could be concluded that this integrated theory of public entrepreneurship provides, conceptually, richer insights into the role of public managers in the policy process.

Finally, since those factors appear to have direct impacts on entrepreneurship in the public sector organizations in delivery of services, it is imperative that managers not only in the Sri Lanka Administrative Service, but also other services in the public sector must be aware of these factors and make conscious decisions and efforts to take them into consideration, thus fostering a climate of entrepreneurship. Such a climate would benefit public organizations and ultimately contribute to national development by making delivery of public service more effective and closer to the people in Sri Lanka.
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