

# Intrapreneurship Practices in Local Government to Improve Service Delivery

N Ntoyanto-Tyatyantsi and B Ceki  
University of South Africa, South Africa

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**Abstract:** Local government is facing service delivery challenges; this demands application of intrapreneurship practices. This study investigated the intrapreneurship practices at local government and recommended practices to improve efficiency in service delivery at local government level. The research is situated within the interpretivist paradigm and employed the qualitative method. In-depth, semi-structured interviews were conducted with managers of the O.R. Tambo Municipalities. Data was analysed through content analysis. Municipality documents were also used for triangulation purposes. Results revealed that intrapreneurship practices are not present at municipality due to several factors. This study recommends intrapreneurship practices that could be adopted by municipalities in order to foster innovation and enhance the efficient and effective delivery of services. The findings of this study may be extended to other government institutions.

**Keywords:** Innovation, Intrapreneurship, Service delivery, Resources, Rewards

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## 1. Introduction

Local government in various provinces of South Africa provide basic services to communities, as well as enabling the interaction between government and the communities they serve (Madumo, 2015). However, local government in South Africa has often been characterised by ineffective service delivery and mismanagement of limited resources (Kanjere, 2016). As the government sphere closest to the people, local government faces many challenges, including poor delivery of the basic and core services, and this has resulted in citizen's complaints. The dominant perception about local government in South Africa is that they are ineffective because they do not meet the socio-economic requirements and needs of local inhabitants (Mulu & Pineteh, 2016). As a result, citizens have demonstrated their concerns in a number of violent service delivery protests throughout the country. These protests are tied with deteriorating financial resources, enormous infrastructural backlogs, and increased informal settlement growth, all factors which impact negatively on the already constrained local government (National Treasury, 2017; Madumo, 2015).

Local government is a key facet of the developmental state, since their mandate is to provide services to local inhabitants and to improve the general well-being of communities (Kearney & Berman, 2018). The quality of services delivered by a local government has a profound impact on social stability, so it

is critical that the government provides leadership in refining the quality of services being delivered.

One way to improve the quality of service delivery and to positively impact the social stability of the communities they serve is through intrapreneurship. According to Urban (2012), the implementation of intrapreneurship practices in local government can contribute to a well-functioning local government. Although there are similarities in the terms "intrapreneurship" and the more well-known "entrepreneurship", they differ in terms of context. Intrapreneurship is a process whereby an individual or group of individuals within an organisation are involved in innovativeness, risk-taking and proactiveness (Kuratko & Audretsch, 2013) to enhance the performance of the organisation (Neessen, Caniëls, Vos & De Jong, 2019). Intrapreneurs are innovation champions (Srivastava & Agrawal, 2010) who recognise and exploit opportunities within the organisation (Neessen *et al.*, 2019). Intrapreneurship relates to innovative and creative skills being utilised by employees to leverage innovative opportunities internally as a means of accentuating the quality of service. Adapting and encouraging intrapreneurship in local government could therefore bring about numerous benefits, such as improved and satisfactory service delivery to communities, better internal processes, proper reward systems for local government employees (Malatjie, Garg & Rankhumise, 2017), improved communication, and better management of employee relationships (Gawke, Gorgievski & Bakker, 2018).

Unfortunately, limited research has been conducted with reference to the circumstances in which intrapreneurship has been successfully applied in local government in South Africa. Previous studies looked at the intrapreneurship performance in the private sector (Block & MacMillan, 2013; Hornsby, Kuratko, Shepherd & Bott, 2009). As such, the mentioned studies did not consider the possibility of incorporating intrapreneurship practices in local government environment. This study intends to fill the gap in the literature by exploring the intrapreneurship enablers in a local government setting. The study investigated the intrapreneurship practices that can improve service delivery within the O.R. Tambo District Municipality in the Eastern Cape region of South Africa. The study seeks to cast more light on the effectiveness of intrapreneurial practices in enhancing the performance of local government. Effectiveness, in this respect, refers to the local government's ability to offer services at optimal levels to all the citizens (Govender, 2017). It is therefore vital that we gain insight into the intrapreneurship practices that could contribute towards improving service delivery in local government. The rest of the paper is organised as follows. The literature on challenges facing local government and intrapreneurship enablers is reviewed, followed by the methodology sections and then the presentation of the findings. The discussion of the findings is followed by the conclusion.

## 2. Local Government Challenges Towards Service Delivery

The core services that local government are mandated by the Constitution of South Africa are to deliver sanitation, electricity, water and waste management facilities. However, local government faces various challenges that stem from its responsibilities to the general population (Pretorius & Schurink, 2007). Mogashoa (2014) suggests that these problems include budgetary constraints and unrelenting high expectations from the public they serve. These challenges also include, inter alia, matters of governance, and the restrictions placed on local government as a result of the legislative framework under which they operate (Van der Waldt, 2015). Dealing with complex demands from the communities means that, local government institutions should become competent entities (Rwigema & Venter, 2005).

The results of a study conducted by Beyers (2016) in the Limpopo province showed that local government experiences financial difficulties and sanitary

infrastructure. Local government is struggling to operate and maintain service delivery in an efficient and sustainable manner. Another challenge is the lack of revenue collection to sustain service delivery. In addition, there is a shortage of skilled labour in key positions, such as financial managers. Key senior posts such as municipal manager in local government are left vacant and in some cases these posts are filled by unqualified individuals (Sebidi & Madue, 2018).

In such a demanding environment it is critical for local government to invent innovative approaches to ensure the fulfilment of their mandate, while adhering to the structures that have been designed for the management of local government institutions. However, strategies that are typically employed to make competency possible, are usually employed in private businesses, and not within government (Hornsby *et al.*, 2009). This implies that local government ought to run their organisations in a similar manner to the private sector by adopting and implementing flexible policies to overcome the constraints that are caused by the prevailing rigid structures.

## 3. Intrapreneurship Practices

Intrapreneurship practices are those organisational and individual features and characteristics that foster the intrapreneurial spirit. The practices of local government intrapreneurship identified for this study are innovation, management support, skilled labour resource, motivation and rewards, and flexible policies and structure. Innovation is a critical determinant of survival for local government, as the public sector has a more complex open system than the private sector (Ghina & Permana, 2017). However, there is little incentive for local government to be innovative, specifically due to high risk associated with innovation. Mulgan and Albury (2003) suggest that the key advantages of driving local government innovation includes the possibility of improved service delivery; the other advantage being an effective response to the rising expectations from the community, and increased efficiency in view of the containment of costs and budgetary constraints.

The deliberate actions by management to support and create an enabling environment for intrapreneurship give credence to the assertion by Mair (2005) regarding development. She claims that people can learn to develop their awareness of self-sufficiency through the implementation of

platforms aimed at altering behaviour. This development strategy may be an excellent tool for top management to enhance the level of intrapreneurship in their organisation. Self-efficacy appears to be an imperatively instructive variable when it comes to understanding the connection between preparation and the employees' entrepreneurial conduct (Wakkee, Elfring & Monaghan, 2010). It therefore, becomes pertinent for managers to foster a sense of self-efficacy and adequacy in their employees to empower them to become innovative. Local government managers should provide an environment that adheres to the tenets of corporate governance, while at the same time fostering innovation.

A skilled labour resource is the key resource that local government needs to be able to attain efficiency in the delivery of services. Current conditions affecting the government, in general, and local government, in particular, suggest that local government may need to innovate by developing intrapreneurial employees. Mair (2015) is of the opinion that, through training, managers may be able to guide their subordinates through the provision of resources and knowledge.

The creation of an environment that fosters intrapreneurship aids in making sense of the available platforms to display their intrapreneurial prowess. At the same time, the insecurities associated with intrapreneurial behaviour are reduced (Chen, Greene & Crick, 1998). This process is valuable in dealing with potential role conflict. While the process of intrapreneurship requires employees to become flexible, it also enables them to achieve multiple points of excellence in operations, which increases the overall organisational performance (Zahra, Filatotchev & Wright, 2009). Reed and DeFillipi (1990) define sustainable competitive advantage as the unique position that an organisation develops in relation to its competitors through the way it deploys its resources. The argument is that local government may gain a sustained competitive advantage if it uses intrapreneurship as the cornerstone and invests in its employees as a resource, while judiciously deploying them at the same time. When the local government leverages the knowledge, skills and abilities of individuals, it can easily enable intrapreneurship (Srivastava & Agrawal, 2010).

Rewards enhance the motivation of individuals to engage in intrapreneurial behaviour. Rewarding employees for success goes beyond the financial

returns, and includes recognition, feedback, and doing meaningful work (Roche, 2007). Management may investigate methods to improve and support extrinsic job satisfaction and formalise flexibility policies and market orientation strategies to meet the demands of organisation intrapreneurial activities (Urban, 2012). There are ways to achieve employee empowerment which include, inter alia, job rotation, job enlargement, training and management by objectives (Pinchot & Pellman, 1999). Remuneration, rewards and performance management are tools that may come in handy as a means of motivating employees to perform better, and to ultimately, become more innovative (Block & MacMillan, 2013).

Organisations that have implemented intrapreneurship initiatives are more flexible in their approach when dealing with their environments. They seize strategic initiatives, even under challenging environmental conditions (Kuratko *et al.*, 2014). However, the internal local government environment is one that is constrained by rigid policies that are derived from legislation. Local government systems that derive their mandate from the Constitution are subject to oversight by the national and provincial governments (Constitution of South Africa, 1996). This may have the unintended consequence of stifling employee innovation and creativity, as there are fears that taking any initiative may contravene the law. The structure of municipalities should be such that bureaucracy does not stifle innovation.

## **4. Research Design and Methods**

### **4.1 Research Approach**

The research study was exploratory, adopting an interpretative philosophy (Saunders *et al.*, 2016). A qualitative approach was selected for the research, and the specific research design employed was within the phenomenological paradigm (Creswell, 2012). A qualitative approach in a form of in-depth interviews allowed the researcher to ask additional questions to clarify the data that was collected. The approach was suitable, as the study focuses on a subject that has been under-explored.

### **4.2 Research Setting**

The research setting was the local government context in South Africa. The study involved senior and middle managers in five different local municipalities in the O.R. Tambo Municipality in the Eastern Cape.

### 4.3 Research Participants and Sampling Methods

The population of the study comprised 187 individuals consisting of senior managers, middle-level managers, lower-level managers and supervisors across the district. A purposive sampling technique was used (Cohen *et al.*, 2011) and a sample of 15 managers who met the inclusion criteria was identified. The key sampling criterion was managers with a minimum of three years' managerial experience and decision-making capabilities to introduce and foster an intrapreneurial climate. The researcher assumed that in their roles, these managers would have been involved in the review process of the existing organisational practices, and/ or in the formulation of the practices. A further inclusion criterion was that the participant would need to have access to information in the municipality with regard to how the environment uses intrapreneurship.

### 4.4 Data Collection and Recording

Primary data was collected by means of interviews (Smith & Osborn, 2008) to allow for rich data to be collected. In-depth interviews were conducted with 12 managers who were available out of the 15 that were identified representing all the municipalities in the O.R. Tambo District. An interview schedule that explained in detail the purpose of the research and the definition of intrapreneurship was forwarded to the participants' prior the interview meeting. Furthermore, the participants were assured of their anonymity which encouraged them to answer honestly and speak more freely.

To address the research objective of this study, interviews were asked five main questions. The questions were:

- *How do you understand intrapreneurship, what does that mean for the municipality and for you as a manager?*
- *Do organisational practices, policies and procedures foster a spirit of intrapreneurship?*
- *How flexible is your municipality with regards to the adoption and practice of innovation?*
- *In your opinion, which factors would influence intrapreneurship in your municipality?*

- *How do you think the factors of intrapreneurship factors can influence the delivery of services in your municipality?*

The definition and detailed explanation of what intrapreneurship is, and the purpose of the interview was discussed with the participants' weeks before the individual interviews were conducted. The participants were each interviewed for approximately one hour. All interviews were recorded and then transcribed verbatim.

### 4.5 Data Analysis

Data analysis of the interview data was conducted by means of content analysis (Shreier, 2012). The transcription of the data was outsourced to a third-party transcriber, but the researcher listened to all the recordings to ascertain the quality and accuracy of the transcript. Groups of codes were then identified and translated into themes using an open coding process (Strauss & Corbin, 1990). The Atlas.ti software program's coding function was used to identify keywords and to tag the data with initial codes, after which meanings were attached to the codes.

In addition, municipal documents that were publicly available, and not of a confidential nature, were collected. Document analysis and content analysis was then done to corroborate the research findings. The researcher sought to increase external validity by member checking (Dudovskiy, 2015). The trustworthiness of the study was increased by recording the interviews which provided an unbiased record of each conversation. The researcher was personally responsible for data collection and no field workers were used. Triangulation was used to ensure credibility of the study, and to validate the conclusions of the findings by conducting interviews and document analysis (Pitney & Parker, 2009). The documents collected included the Human Resource Development Plan, Integrated Development Plans (IDP, 2016), Internal Audit Charter, Performance Management Policy, Scarce Skills Policy, and the O.R. Tambo Integrated Development Plans Final Draft for 2017. The focus of this paper was primarily on reporting the interview data, with the documents being used for triangulation. Ethical clearance was obtained from the relevant university (2017\_CEMS\_ESTTL\_019), and as per the ethical guidelines, all the interviewees signed the informed consent letter.

## 5. Results and Discussion

The findings were derived from the analysis of the data obtained from 12 in-depth interviews and from relevant documents that have been previously mentioned. Participants who were middle and senior managers at the local municipalities in the O.R. Tambo District Municipality were each assigned a pseudonym. The interview questions pertained to the intrapreneurship practices. The findings are discussed according to themes that emerged from the data analysis namely: innovation, management support, skilled labour resource, motivation and rewards, and flexible policies and structure.

### 5.1 Innovation

Participants said that the local government needs to pursue a service delivery model based on an innovative, efficient and quality-driven intrapreneurial work environment. They stated, among other things, that such an approach attracts skilled people to the local government, while also challenging and motivating those already in the institution to come up with innovative solutions. Consequently, there would be less reliance on external contractors that would help to reduce costs. Relying less on contractors is critical, as it will help local government to come up with innovative solutions to community issues as and when they are identified. The interviewee participant illustrates it as follows:

*"You've got to look at innovative ways of providing good-quality roads without necessarily doing your black surface as we know it, which is expensive. We need to find other ways and other materials that we can use to develop more roads". Interviewee 1.*

Intrapreneurship involves embracing new technologies and ways of doing things. Embracing new technologies results in improvements in local government systems and enhanced efficiency by ensuring *"things were done right the first time"*. In the process, this creates useful service quality benchmarks:

*"We have an app which says in our communities, if there is a leakage, the people just go on an app and they just SMS [...] that is intrapreneurship (through) which we are managing to improve on the service delivery". Interviewee 2.*

*"Creativity also had the effect of helping conserve vital resources". Interviewee 3.*

*"With the intrapreneurship, it has enabled us to save water, to make services environmentally friendly, to do something like that". Interviewee 4.*

The sum effect of these and other influences of intrapreneurship was to 'close gaps in service delivery' and ensure delivery on set targets. Moreover, this was achieved by focusing on the quantity, in addition to the quality of services that are delivered by the local government:

*"Remember, you have to try and improve the efficiency ... as much as you are pushing for quantity, you must also get the quality. So, if you introduce proper technology to try and be able to track down the quality, then you'd be able to improve the situation". Interviewee 5.*

As one of the critical elements of intrapreneurship, innovation is key to infusing an intrapreneurial spirit in the local government. Another interviewee participant, lamented the non-existence of an innovation section/centre within the local municipality, arguing that its absence creates an environment which does not foster intrapreneurship in the organisation.

*"But the region is bigger, it's one of the biggest regions within the country, and they do not have a section that deals with innovation, like us at a local space". Interviewee 6.*

The participants were unanimous in underlining the importance of technological innovations, as well as applauding instances where the local government has shown an innovative streak, such as in developing cell phone applications to report power failures and pipe leakages in the municipalities. The technology that has been introduced was not merely limited to a website but involves systems and processes as part of ordinary and daily activities executed by municipal staff as well. Of importance is that participants acknowledge the importance of innovation in enhancing service delivery at the O.R. Tambo District Municipalities.

### 5.2 Management Support

Participants highlighted that management support is a special driver of motivated and innovative employees. The participants mentioned that politicians and top-level managers need to be willing to support innovativeness, creativity, and have a deep understanding of intrapreneurship:

*"The issue of communication and proper management by the management ... is that we don't want to manage while we are the managers ... There are managers that are not able to work with other people". Interviewee 4.*

*"It's lack of creativity within the managers to create space for others to come". Interviewee 3.*

*"There must be a buy-in where the politicians, who are the policy-makers, they need to understand the importance of intrapreneurship". Interviewee 7.*

Management support alludes to leadership issues that would be strategically positioned to create an environment that would promote intrapreneurship. The participants complained about the lack of willingness to foster an intrapreneurial environment, *"I don't think we have willingness, most of us"*. This sentiment indicates a need to redirect local government leadership to create an enabling environment to assist the self-expression of professionals to advance the municipality's service delivery tasks.

### 5.3 Skilled Labour Resources

Participants mentioned the importance of employing skilled personnel who can introduce new initiatives and promote intrapreneurship. Skills are critical for innovation. A municipality in which intrapreneurship is practised not only identifies and recruits people with the necessary skills, but also embarks on the skills development of its existing employees on an on-going basis.

*"It means we must commit resources and we must appoint people that have relevant skills, who can drive these new initiatives...Where there are no skills we need to partner with institutions of higher learning just for them to come up with new ideas and give support to the local government". Interviewee 8.*

*"... need to have people that have capacity. For instance, the management, you need to have good leaders, people that have leadership skills that would actually talk or be able to promote this intrapreneurship". Interviewee 9.*

A skilled labour force enables confidence in the use of intrapreneurship. The participants' indication is that there is a need to align skills with local government tasks to enhance intrapreneurship. If employees are appropriately skilled, they can apply

those skills to solve service delivery issues, which will in turn, make it easier for local government to fulfil its service delivery mandate effectively.

### 5.4 Motivation and Rewards

Eight participants were of the opinion that motivation and rewards are drivers of innovation. Some participants mentioned that since rewards and incentives are only awarded to top-level managers in the local government, this has the overall effect of reducing innovation. Their argument was that if these rewards and incentives could be cascaded to lower-level employees, there would be an increase in innovation, as the rewards will be acting as extrinsic motivators.

*"For the local government to achieve the Integrated Development Plan Goals, they need motivated staff, they need innovation from staff, self-renewal of course, proactiveness". Interviewee 10.*

*"At lower level, it's just the pat on the shoulder. There are no rewards whatsoever." Interviewee 3.*

*"There is no policy that speaks to rewarding people with innovation in certain sectors. So there's no policy to that effect". Interviewee 2.*

It would seem that the belief of the majority (8) of participants that rewards and benefits as drivers of innovation, may be misplaced. The intrapreneurial spirit thrives mostly on an inherent and individual decision to invest selfless commitment to the prerogatives of an organisation.

### 5.5 Flexible Policies and Structure

No formal policies that promote intrapreneurship exist. Participants mentioned that there are gaps in the municipal policies:

*"There is no formal policy in the local government that meets at intrapreneurship. It becomes an initiative of the individual to do such things around your area of responsibilities. And I think a bad thing is that, because it's not a policy of the local government, it doesn't come with resources, so you've got to go out and look for resources as an individual". Interviewee 2.*

*"Look at various policies, your HR-related policies, your economic development, funding, LED (local economic development) strategies. Those are the*

*policies that should be talking specifically to intrapreneurship". Interviewee 10.*

*"As the local government, we need [...] to scan our policies and see if, really, they do favour concept, because one would say some of them do favour but some really do not favour [...] this is where we identify policy gaps, then we fill those gaps during the processes of policy development and policy review." Interviewee 1.*

From the responses regarding matters of policy, it was made clear that policy formulation and implementation should be aligned to the prerogative of the local government in becoming intrapreneurial. Participants mentioned the fact that there was no stipulation in policy that tacitly or explicitly promotes intrapreneurship.

The findings show that local government is not encouraging innovation. The participants confirmed innovation as a key pillar of intrapreneurship. As Forbes (2011) echoes, an intrapreneur ought to have understanding of both the external and internal environments, in order to be innovative within an organisation. The understanding particularly is important, as it will enable the intrapreneur to navigate the internal environment, which is often obstructed by rigid structures and policies in local government. The findings also show that employees are not afforded the opportunity to practise intrapreneurial activities in their work environment due to the absence of intrapreneurial policies, which resulted in a lack of innovative ideas to accelerate service delivery. A review of the documents and policies collected from the municipalities showed no innovation programme that indicated an agenda by the local government to empower employees to practise intrapreneurship. The findings are in contrast with those of Foley (2016) who suggests that employees, who are provided with an enabling environment, are likely to offer both loyalty and commitment to the objectives of an organisation.

The lack of innovation persists in local government despite the realisation that intrapreneurship would be beneficial. The innovativeness that is inherent in this local government augurs well for ways of meeting service-delivery obligations at the core of its mandate. These findings imply that local government ought to amend their strict frameworks and policies and implement an environment that encourages innovation.

The findings show that management does not show willingness to support employees in innovative initiatives. Drejer (2004) mentions that intrapreneurship ought to be supported by an organisational management for it to visibly bear service or a product of superior quality. This suggests that managers at local government have a responsibility to support employees with resources and motivate them by acknowledging and rewarding those that display intrapreneurial behaviour. Local government managers, on the other hand, are expected to implement and manage strict adherence to policies and procedures that were established by the government. This implies that there is very little scope for managers to introduce flexible working arrangements for employees, which includes a different way of working more innovatively in this environment.

Management need to translate the strategic goals to staff and equip them with an environment that will allow them to thrive and come up with new ideas in which to achieve the local government strategic goals. As suggested by Hornsby *et al.* (2009), this is displayed by the extent to which the top manager's support is perceived to facilitate and promote intrapreneurial behaviour; including the championing of innovative ideas and providing the resources people require to take intrapreneurial initiatives.

Although management is expected to be change agents, they seem to lack the authority to change the restrictive nature of their operating environment in local government. The legislative environment of local government restricts managers to commit in supporting innovative employees. Should these restrictions not be addressed, local government employees may continue to work in their limiting environment, and management will continue to face the same challenges with no innovative resolution of problems in sight. The absence of managerial commitment towards creating intrapreneurial environments due to restrictions often hinders the success of organisations in achieving their objectives, in general (Hovarth, 2016). Management may need to move forward, in the absence of relevant policies, to make provision for the incorporation of intrapreneurship practices.

The findings show that the lack of skilled labour in crucial functional levels in local government is an obstacle to innovation and the development of intrapreneurship. Despite the good intentions by government, this local government is still lagging

in terms of innovation because of fragmented government service, poor turnaround times, shortages of skilled people in local government, and issues of access and frequent power outages. However skilled employees have the potential to identify and exploit opportunities that exist within local government. Garonne (2013) concurs and contends that if a local government has astute employees able to identify possible opportunities to enhance service delivery, their contribution may boost the general performance of other employees in their quest to deliver quality service to the public, and also improve the overall performance of the municipalities.

The alignment of skills with tasks in local government was identified as a positive enabler towards intrapreneurship. Therefore, local government needs to timeously recruit skilled personnel to fill the gaps created by resource shortages, as well as train personnel to be on par with current technological advancements.

The participants identified motivation and rewards as employee stimuli and enablers of intrapreneurial practices. As supported by Urban (2012), rewards and motivation enhance individual intrapreneurial behaviour. However, there are no existing policies in local government on rewards and incentives for employees that show intrapreneurial initiatives. The implication is that local government ought to incorporate employee rewards and incentive policies to enhance intrapreneurial practices that would improve the effectiveness of service delivery. These rewards and recognition may ultimately lead to job satisfaction which plays a mediating role in intrapreneurial actions and organisation performance (Nonaka, Reis Neto & Togashi, 2017). In addition, Ross and Van Eeden (2008) regard job satisfaction as a key determinant of organisational success which is vital in supporting local government, thereby forming the basis of organisational performance. If employees are satisfied with their jobs, they will become productive and secure, and therefore more willing to experiment with new ideas, as emphasised by Block and MacMillan (2013). This implies that local government service delivery objectives that have to be met with minimal resources would improve.

Motivation and rewards as intrapreneurial practices, if implemented, would allow for additional resources to be generated by local government employees, or may allow for the same limited

resources to achieve greater output. Instead of relying on limited government funding, motivated local government employees may come up with initiatives to generate additional funding or service delivery channels to meet community requirements.

The findings show that local government policies and structures are too restrictive, which makes them a constraint to the fostering of intrapreneurship. This restrictive environment encourages a rigid and mechanical approach to the discharge of duties, contrary to intrapreneurial tenets. Participants indicated that excessive rigidity existed in how the local government conducts its business processes. Flexibility is one of the principles that drive intrapreneurship, and where it is lacking, as was indicated by the participants, intrapreneurship is impeded (Burchell & Kolb, 2006).

There was also a broad acknowledgement that local government was not flexible enough to adopt intrapreneurship. Hornsby *et al.* (2009) suggest that flexibility inevitably stimulates intrapreneurship that improves the flow of innovative ideas in an organisation. There are significant constraints on the flexibility required for the entrepreneurial spirit to take root as illustrated by up to 10 different statutes listed as providing the legislative framework for the Human Resource Development Policy (O.R. Tambo Municipality Policy Document). Employees are less likely to think freely and creatively when they have to navigate such a rigid environment. Therefore, a flexible local government structure is an enabler to foster intrapreneurial practices that can lead to improved service delivery.

While there is a realisation that an enabling environment is important, the challenge that intrapreneurship in the O.R. Tambo District municipalities faces is that most actions are guided by policies and laws. For example, the Scarce Skills Policy (O.R. Tambo District Municipality Document) is set out in a strict framework that lists up to six different statutes that need to be complied with. These policies and laws cannot be changed easily, resulting in an environment in which the innovative employee is unable to thrive due to the restrictive nature of the operating environment. The existing policies were poorly researched during formulation and therefore fail to address existing challenges. Informed policies, laws and regulatory aspects are a hindrance to the development of intrapreneurial practices in the O.R. Tambo District Municipality. The unintended



consequence of this over-regulation is that innovation, and by extension, intrapreneurship is stifled because people are often too cautious. Therefore, the local government needs to incorporate the central government into the implementation plans for intrapreneurship, while leveraging existing legislation to support intrapreneurship.

## **6. Conclusion and Recommendations**

Local government in South Africa is facing challenges such as poor delivery of the basic and core services, while the citizens are increasingly voicing their dissatisfaction through violent protests. Generally, academics and the private sector agree that intrapreneurship is a tool that can be used in organisations to improve efficiency. Furthermore, private sector organisations have thrived and prove to succeed upon inculcating the intrapreneurship spirit in their organisations. The results of the current study suggest that intrapreneurial practices can be adopted by local government to improve service delivery. The research contributes to the literature by providing insight in the intrapreneurship practices that can be used in the public sector to increase efficiency and accelerate service delivery.

For local government policymakers and leadership, it is important to note that municipalities need to manage the service delivery crisis in the country. Local government in South Africa is considered as a basic service provider and citizens expect service delivery in an efficient manner. Therefore, the study recommends that policies and guidelines for municipal employees ought to be reviewed to incorporate intrapreneurship principles. Policy documents need to incorporate intrapreneurship as a discipline. This will allow for the very rigid current environment to be relaxed in order to enable employees to take innovative initiatives. Managers may provide a platform for employees to share innovative ideas that may be rolled out as projects. In addition, local government needs to leverage the knowledge that the managers have with respect to intrapreneurial practice and implement pilot projects that promote independent and agile actions by designated employees. Municipal managers are recommended to take incremental steps towards the implementation of intrapreneurship practices.

As this research was done in the O.R. Tambo District Municipality, a potential first limitation may be that the municipalities, as local government, are not

located in the higher spheres of government, and as such, the sample concerned only the lower levels of government. This would imply that the level at which these local government managers operate would represent decisional abilities at lower levels of government which might not be able to influence policy-makers at national government. Secondly, the study was also limited to one district, and no other districts were explored in this study. The findings are therefore not transferable to other municipalities in South Africa, although the intrapreneurial practices may be applied in all government institutions.

Future research that is likely to yield academic traction may be one that investigates how best the municipalities can leverage advances of the fourth revolution to promote intrapreneurship. The focus of such a research project could be beneficial in the creation of models that incorporate artificial intelligence in the execution of service delivery to address the current skills shortages.

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