

Available online at www.elixirpublishers.com (Elixir International Journal)

Marketing Management

Elixir Marketing Mgmt. 66 (2014) 20746-20749



Sustainable development and entrepreneurial in government

Ali. Maghool and Zohreh Dabaghan

Department of Management, Neyshabour Branch, Islamic Azad University, Neyshabour, Iran.

ARTICLE INFO

Article history:

Received: 2 November 2013; Received in revised form: 15 December 2013; Accepted: 16 January 2014;

Keywords

Sustainable development, Entrepreneurship, Government.

ABSTRACT

In this article, we try to explain the concepts of the words like sustainable development, human development, and social capital and analyze the role of human sources for development and performing development programs by considering the model of development on the base of entrepreneurial. for this purpose, we express the scientists' point of view about entrepreneurial in the organizations of public section and in addition of connecting the concepts of human development and sustainable development with entrepreneurial in government, we consider and criticize the programs of reforming administrative structure and management in the third development program by considering development model on the base of entrepreneurial.

© 2014 Elixir All rights reserved

Introduction

Human development necessitates sustainable development and sustainable development is the process which increases the opportunities and choices of human and their abilities. Human beings are the main actor and performance of sustainable development, which comes after the permanent development of human's abilities. So, we can remedy the lack of other factor, necessitate for sustainable development by human development.

The main purpose of development is to benefit human and the real concept of benefit is improving the quality of people's life. Increasing the income and occupation are two necessary means of development, not its purpose. The goal of development is training the human ability and improving their welfare. In the concept of human development, human is in the centre of development model not in its margin. For achieving sustainable human development model is necessary to maintain and renew all kinds of capitals, such as: human, natural and material. In this condition. Although social purposes are in the second level, social programs are centered in human. Programs such as cultural identity, bodies' development, improvement, social mobility, participation become meaningful. When the citizens consider government as a powerful, it is not weak and feeble.

Concepts like human development, sustainable development, and entrepreneurial, social capital all are for improving the quality of life in context which can be an appropriate bed for development if the best model of development-which its substructure is one of the above mentioned concepts-is chosen. in this article as we describe in next chapters development model is considered on the base of entrepreneurial, in which human is taken as the motor of economical development and entrepreneur government as a supporter and planner of this development environment.

Social capital:

In 1990s, social capital become widespread ,not only in economic ,but also in political science and sociology .this word indicate the archaic idea which says society should maintain and improve its identity through bodies ,which has construct for social and economical betterment. Increasing people's participation is civil council shows the people's reliability and also effects on economical growth, which can't well explained by numerical data .Laportan in his research in 1997 found out

that ,if reliability increases in organization, efficiency will increases 1% legal system and corruption will decrease 3%. If the citizen's participation in a society is more than other countries and people tend to enter into contract and accept its risk, their production function will be different according to this implicit variable. Social capital has an overflow identity (for others benefit).

After revolution in Islamic Republic of Iran a powerful social capital formed, but it lose its power because of war and economical pressure and the formed bodies moved towards being official.

Power and weakness of social capital depends on governments and its performance the government who give importance to citizen and entrepreneur and cooperates with them in policy-making and performing, are efficient.

Human development:

According to Harison and Mayr definition, development and improving of human sources means increasing knowledge, skills, Capacities and abilities of people in a society. In economical and political context when say the human development usually we withdraw all or percentage of society and the considered indicator such as: health, education, cooperation in affairs and ... are taken as a measure indicator for human development, but these indicators by themselves can not bring improvement in life quality. Beside the establishing educational systems, reforming the health and physical variables, increasing the quality and efficiency of human sources as a whole and focusing an improvement manpower, who works in governmental systems particularly are necessary .therefore, we should have organizationally developed human in both private and public section for fulfillment of human development purpose.

Human development is the strategy which motivates the ability, skills, talent and creativity of people and on the other hand make the government responsible for supplying appropriate services with high quality, and finally it becomes clear that human development is formed on the base of a powerful civil society and successful non-governmental organization progress in such environment, the evolution of new era with novel human characteristic is possible, and now a day human should have novel abilities in organization. Many

Tele:

E-mail addresses: hadi_sarem@yahoo.com

researches are done on this subject and each organization according to its activities or types (Innovative organization entrepreneur organization, Heliotropium organization, shamroch organization and learner organization). Need people with special abilities. So, to be considered as an organizational developed Lumance, the employer should have these characteristic:

- 1 Creativity: preparing the proper ways for revealing creativity and providing appropriate environment for expressing new idea.
- 1 Activeness: the work should design in a way that is meaningful for employer and accompany with activeness and happiness and has a less barrier. Although creative human try to make the organization active and change themselves by accepting the changes.
- 2 Search for perfection: the developed human is purposeful and always acquiring the purpose and finding new goals.

Of course, there are barriers in the way of human sources development such as: economical, structural, legal, management, characteristically, and personality organizational which we don't describe in this article. Perhaps the only thing which consider as a main part of human development is productivity of manpower. So, if there is no efficiency, increasing income has no effect on life quality, because investment gap will increase by decreasing efficiency and achieved financial sources will be spend on this gap. This is one of the 4 factors of human development model; the other factors are equality (equal distribution of services and equal using of services by people), stability and making powerful. These factors can show the role of government, good or bad. Therefore manpower strategy need to an active government to interfere in the field of manpower for preventing the waste of investment.

Role of government:

In the process of development, government has the role leadership, guide it and interfere where it is necessary .but ,this doesn't means that the government should has large dimension and do the affair at any expense. Although the universe moving towards privatization but this purpose is the next priority, the first one is that the government does its duties effectively. Although decentralization is one of the effective ways, this strategy became so important when accompany with human development, because using of knowledge and local experiences are the main, and such relationships are strong when the central government has a good relation with people and people also cooperate in policy-making and accept performing, if the body mechanism is inefficient policy-making goes in a wrong way. Bureaucracy should work for people. Today we have this condition but at very weak level. But if it starts to work with people's idea or by people guidance, it will face with serious barrier, so change in structure, behavior and reconstructive is inevitable.

By reconsidering the whole body frame of society with a new viewpoint we not only mean reconstruction of structure but also innovating new structure. So the functional independency of these bodies should become internalized and this is not possible unless the government change its forms and identity .government institution need more independency and freedom in action for survival and instead of transferring governmental affairs to private section, we should inject private identity and put them under monitoring and control. In fact the government should accomplish appropriate measures and reforms, instead of performing imitative reforms or doing nothing. Bureaucratic structure usually makes every thing interconnected with itself

and exiting from it is very difficult. The project of slight reforms in government has no result except wide consumption of sources.

For, improving people's welfare the capabilities of government should increase, instead of formal decentralization of government, which has no result decreasing the government ability; we should make them powerful and their function effective.

Development model through entrepreneurship

Perhaps the development model through entrepreneurship is broader them the concept of sustainable development and human sources development, because in this model entrepreneurs, include governmental official and real entities in commercial system and legal entities or organizations and their employers. The government can play this role properly, when it takes guiding role for governmental and private organization, with focusing on market economy and work as a strong motivation for economical, social and political systems.

The government don't make entrepreneur, but choose guidelines which through them entrepreneurs can innovate and create more easily. For improving them, the employers of governmental and private section should improve first. When we say an entrepreneur government it doesn't mean that all of the changes take place just in governmental section. As you see in the following picture. The concept of the guideline role is for both of these two sections. New age, is the age of speed technological revolution, expanded communication and sever challenge which effects on each other. These three factors also need efficient management and creation. These are not consistent subject but a process in which the role of human is not just processing information, but creation the new information. By weak function of economical relationship adjustment bodies, the country will go towards relation, if the condition of Monopoly is still unbreakable and there is no possibility for improving market system and official system continue to work the same as before.

Entrepreneurship in Government

Governmental sector have different responsibility ,goals ,response compare to private section ,and imitative hypothesis from private section ,should put into discussion . Often we assume that the public section is a bureaucratic, conservative. Unclear collection and from this assumption we conclude that the public section can not be entrepreneur. Although the public section is not opposed to entrepreneurship, traditional and bureaucracy structure has traditional values and functions. Recent reformation in bureaucratic function makes it possible to simulate entrepreneurship actions logically.

Studies show that the concept of entrepreneurship in public section is used because of following reason:

1-search for finding pioneers for public section who make fundamental changes, you can see this idea in Scott and Mitchell's theories. According to Scott and Mitchell entrepreneurship is one of the 3 criteria which make the administrative real choice basis .because in this situation the governmental entrepreneurs are different from ordinary manager's and policy-maker who recognize the governmental sources in different and ineffective ways.

2-entrepreneurship is established by inception of political movement or constructing new governmental organization to go along with economical, social and political changes.

3- the third theory is that the entrepreneurship is the product of utilization and leadership basis and strategically management in governmental institution, because strategically management necessitates long-term seeing and emphasizing on external

factors and internal opening communication and cooperative decision making.

Governmental organization assume, that in this condition new innovations, opportunities and processes should be made in services, so that the way for effective organizational changes will be prepared.

4- We can find the forth option in the context of government rebuilding which is expressed by Azborn and Gibler (1992).

Government actions in this option includes minimizing reengineering, continuous improvement promoting qualifying standards in servicing through cooperative management down to up reformations internal motivations and reconstructing of government is possible through empowering its staff.

5- The fifth option is privatization which necessitates decreasing governmental section involvement in servicing through external sources and contractor and also transferring the performing responsibilities to private section. So, public section uses governmental resources as a lever for encouraging entrepreneurship in private companies.

Mitchell Maris believes that the potential role of entrepreneurship in governmental organization is undeniable, entrepreneurship as a manageable process has the key dimensions of innovation, risk tolerance and pre-action behavior, and government can have three answers in the face of problems and environmental fast changes:

The first answer: abolishing the government and complete withdrawing from market and price, in this situation the government weakness is an appropriate term for giving up against the market condition.

The second answer: political control on government and bureaucracy, in this situation political reformist try to reform this problem by intensifying the external control. The other chosen ways such as:

Improving the national consultative assembly (Majlis), better guiding and controlling ministries by ministers, improving financial management ,systematic analysis of policies .however these are bureaucratic tools by it selves and have less effect on solving bureaucratic problems, because bureaucracy can not fight with bureaucracy itself, but gives us a great lesson and reminds us two basic problem: monopoly and hierarchy, for their combination leads to power and changes into a dangerous factor.

The third answer: it is entrepreneurship that brings up hypotheses for reforming governmental bureaucracy. Governmental entrepreneurship is a way for escaping from market condition on one hand and becoming bureaucratic on the other hand specially by injecting competitive and controlling democratic mechanisms of governmental organization.

Entrepreneurship and government role in economic:

Neoclassic analysis of economical subjects in general and government interference are in complete competence a consistent vulnerability according to Pigo, subject such as: market weakness lead to presenting logical ideas about rich economic relying on government interference. Neoclassical economical scientists such as Asterr and Silver consider government as a key institute which supplies services, public goods. Government are bodies which try to solve the problems of coordination in market and this role is the least duty of government and when the market is unable in coordinating economical activities there will be a need for government interference.

Australian scientists like Von Mises, Hayek, Krisner put entrepreneurship in the center of their economical analysis .on the basis of their theories, entrepreneurs can understand external events in the complete unreliable situation and formulate some programs in accordance with their experience and knowledge and try to minimize the mistakes in decision making by existing information and experience.

One of the things that has made the entrance of government in economy necessitate is dominating the strategically thinking and formation of competitive preference. So, governmental entrepreneurs can increase competitive preference by considering new ways in Activities. But establishing a competitive preference in a complete economical competition need resources and optimizes using of resources. The government bureaucracy for giving services in the condition of competitive market is under pressure, for supplying public services in a competitive system. Government employees have to overcome new markets. So, managing external relationship with service consumer and financial policy-maker is very important for continuity and government organization should eliminate monopoly situation for them and do fundamental changes for competition in government.

With reference to resources like Richardson an Yu, the scientists believe that the performance of a government organization is not only based on physical resources, but also the ability of using resources is very important and it depends on how government officials use knowledge and individual, collective and organizational information. The performance activities of government are successful if they are qualified and powerful and have entrepreneur individuals and providing a way for their entrepreneurship while qualifying them.

Entrepreneur organizations and entrepreneur officials:

The duty of entrepreneur government is to define an organizational frame, so that bureaucrats and officials can act as an entrepreneur and the request for innovation, independence and responsibilities increases. Providing public services in minimum level leads to increase in request for customers and in this condition improvement of productivity, professionalism are necessary in government organization. For better understanding of entrepreneur official the government should perform the following roles very well:

A. The role of legislation in society.

B. The role of financial provider, respondent and facilitating the activities of non-government sector.

C .Provider of goods and services for citizens with the nature of entrepreneurship and borrowing the characteristics of it. Mrs. Jarna Hinonen (2000) in her studies about entrepreneurship in governmental municipality organization concluded that the factors such as culture, strategy, construction and behavior are a part of organizational obligations for organizational entrepreneurship and the policies for developing the ways of entrepreneurship in government sector are as follows:

- -the flexibility of working model
- -process of deciding become faster
- increase of despondency
- -Decrease of bureaucracy and hierarchy
- -Reconstructing innovating activities
- -Keeping the cooperation between entrepreneurs and policy-making managers

Improving the image of development between entrepreneurs.

For making the governmental system entrepreneurship, the organizational condition of government organizations should be prepared, so that the individual could change into entrepreneurs. Although, it is possible that during the years individuals change into conservative person because organizational condition in government system, can remove torpidity and depression by

changing the culture of job.\The researches show that the managers believe entrepreneurship is a key factor in increasing efficiency, improvement of productivity and supplying services to public.

Mitchell Moris set forth the characteristic and organizational factors of governmental entrepreneurship as follow:

- --powerful leadership in the lead of organization
- ---appropriate programming system and effective activities and action
- --customerizm
- --awareness of legal policy
- --less dependence to superior management
- -- long-term goals
- -- tendency for risking
- --creative system for rewarding
- --preserving from political influence
- --competitizm and establishing the ways for competition

Conclusion:

The well performing depends on controlling affair and true and effective management. So program executives should also change in accordance with development program(executive sector of executive system) so before starting the program we should evaluate that whether official system is able to perform the program ,their behavior, structure and sub-structure make the performance of the program possible or not, whether the current bureaucracy hinder the performance of development program.

Whether we can be optimistic about the execution of program or not, how is the external environment of government organization, what is the opinion of citizen and how much they support private sector .so, the dimensions of programs which includes studying, compiling, executing on one hand and the executives on the other hand guarantee the success of the program. Perhaps up to now we have just focused on studying, compiling and executing and we didn't pay attention to executives, because the program has obligatory nature and the performers of the program has no creation and innovation by themselves and their cooperation were obligatory and just for doing their duties. Finally I should say that the changes in official and management system have not the characteristic that the entrepreneur government needs and most of the employees become conservative.

So, development model on the bases of entrepreneurship can remove the faults of government system gradually, because this change by itself and needs enough time if the aim og human development is the growth of human capacity and depression in leads to depression of development, human resources in the government systems with bureaucracy and limiting policies will be depressed and this depression effects on the other development resources, shouting development slogan and planning development program during the first second and third development program is in contrast from the human development point of view because the government system is a integrated dimitting system full if laws and legislation which doesn't bring human development.

References

- 1. Aitken, Hugh G. J., ed. 1959. The State and Economic Growth: Papers of a Conference Held on October 11-13, 1956, under the Auspices of the Committee on Economic Growth. New York: Social Science Research Council.
- 2. Baumol, William J. 1990. "Entrepreneurship: Productive, Unproductive, and Destructive," Journal of Political Economy 98: 895.
- 3. Berger, Allen, and Gregory Udell. 2003. "Small Business and Debt Financing," in Handbook of Entrepreneurship Research: An Interdisciplinary Survey and Introduction, edited by Zoltan Acs and David Audretsch. Boston: Kluwer Publishers.
- 4. Bird, Barbara. Entrepreneurial Behavior. 1989. Glenview, Ill.: Scott, Foresman and Company.
- 5. Casson, Mark. 2003. The Entrepreneur: An Economic Theory. 2d ed. Cheltenham, UK: Edward Elgar.
- 6. Casson, Mark. 1995. Entrepreneurship and Business Culture. Studies in the Economics of Trust, vol. 1. Aldershot, UK: Edward Elgar.
- 7. Gartner, William, and Nancy Carter. 2003. "Entrepreneurial Behavior and Firm Organizing Processes," in Handbook of Entrepreneurship Research: An Interdisciplinary Survey and Introduction, edited by Zoltan Acs and 8.David Audretsch. Boston: Kluwer Academic Publishers.
- 8. heinonen, Jarna, 1995. Entrepreneurs hip inpublic sector: Papers presented in Finland (Turku Econ & Bus. Adm).
- 9.Mierlo, Van,(2000).Public Entrpreneurship as innovation Management, Papers presented at 65 Annual Conference of South Economic Assosition.