Chapter 12

Co-Operation Between the Public Administration and Non-Profit Organisations as a Condition of the Development of Public Entrepreneurship: On the Example of the Selected World Solutions

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ABSTRACT

The chapter presents the models of co-operation between the public administration and non-profit organisations with regard to performing public services, supporting civil initiatives, building social dialogue and shaping civil society in the context of the development of public entrepreneurship. The issues presented at the beginning related to the separation of entrepreneurship in the public sector; emphasis was put on the need for co-operation between the public sector and non-profit organisations as a condition of the development of public entrepreneurship. Then the models of co-operation of the public sector and non-profit organisations in the UK, Canada, Estonia and Poland were characterised. In consequence of the conducted discourse, postulates and recommendations were presented with regard to building efficient and effective co-operation between the public administration and the sector of non-profit organisations and its role in the development of public entrepreneurship.

INTRODUCTION

The purpose of this chapter is to present world solutions with regard to co-operation between the public administration and non-profit organisations in performing public services and shaping civil society in the context of the development of public entrepreneurship. The text contains an analysis of the present state of knowledge concerning the raised problem, indicating the need, the essence and the formula of

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Co-operation Between the Public Administration and Non-Profit Organisations

co-operation between the public administration and non-profit organisations. The basis for the selection of the presented practices were the criteria of efficient and effective system of co-operation standards, which include: improvement in the efficiency of executing public tasks, popularization of transparent conduct, promotion of care and high level of public service provision, incorporation of local communities in public discourse, promotion of mutual understanding and acceptance for the specific nature of the functioning of the public sector and non-profit organisations, propagation and promotion of training and stimulation activities under both sectors.

The structure of the paper was subordinated to the aforementioned purpose. In the first place, issues related to the separation of entrepreneurship in the public sector were presented and emphasis was put on the context of co-operation between the public sector and non-profit organisations as a condition of the development of public entrepreneurship. Then the models of co-operation of the public sector and non-profit organisations in the Great Britain, Canada, Estonia and Poland were characterised (Wodecka-Hyjek, 2014). In consequence of the conducted discourse, postulates and recommendations were presented with regard to building efficient and effective co-operation between the public administration and the sector of non-profit organisations and their role in the development of public entrepreneurship.

INTER-SECTOR CO-OPERATION AS AN SYMPTOM OF PUBLIC ENTREPRENEURSHIP

Entrepreneurship in the public sector was separated as a result of changes resulting from the implementation of new principles of functioning of this sector, according to the New Public Management idea, pertaining to the following issues: hands-on professional management in the public sector, explicit standards and measures of performance, greater emphasis on output control, shift to disaggregation of units in the public sector, shift to greater competition in the public sector, stress on private-sector styles of management practice and stress on greater discipline and parsimony in resources” (Hood, 1991, pp. 4–5). Common pressure on the rationalization of public expenses caused interest in the market model of public service provision, which was emphasised by D. Osborne and T. Gaebler (1994, pp. 50, 62), stating that public bodies have freedom to choose from among various manufacturers and forms of service provision, on the basis of valid tender procedures.

Entrepreneurship as an economic-social phenomenon is subject to evolution, which is reflected in different forms and types of entrepreneurship emerging at different stages of development.

One of the first definitions of public entrepreneurship in the world literature is the terminological proposition by N. Boyet (1997), as follows: “Entrepreneurship occurs in the public sector where there is an uncertain environment, ad evolution of power, and at the same time re-allocation of resource ownership, to unit management level. It is driven by those individuals, particularly susceptible to the “manipulation” of their stakeholders and with a desire for a high level of social “self-satisfaction”, who have the ability to spot market opportunities and who are able through follower “manipulation” to act on them” (Boyett, 1996, p. 49). Currently, public entrepreneurship is defined as “… a process of creation of value for a citizen by unique combinations of public and private resources using any social possibilities...” (Morris & Jones 1999, p. 74) as well as”… a process occurring inside a public organisation whose results refer to the undertaken innovative activities in the scope of: developing or launching new services, technologies, management methods and techniques, improving or upgrading the existing strategies, undertaking risk or economic activity...” (Kearney, Hisrich & Roche, 2009, p. 29). Contemporary research on the