A framework of intrapreneurial practices to improve service delivery in municipalities of the O.R. Tambo District Municipality

**Introduction**

The reality in South Africa is that there is inadequate service delivery in municipalities. In addition to executing service delivery, municipalities, as the local arm of government, are responsible for implementing policy adjustments (Ndebele & Lavhelani 2017). The needs and expectations of citizens change over time and municipalities should play a larger role in the planning process so that they can assist to identify best practices and alternate approaches to certain identified issues. The implementation of projects should be left to the administrative managers and staff, and contingency platforms should be introduced to manage transition periods with new replacements.

As provided for in the Constitution of the Republic of South Africa (Act 108 of 1996), local government operates as an autonomous entity in partnership with the provincial and the national spheres of government. Added to the mandate given by the Constitution of the Republic of South Africa (Act 108 of 1996) is the much-needed transformation of previous apartheid institutions into fully de-racialised entities that promote equity. The mandate is captured in the Batho Pele principles that require public servants to be respectful, open and transparent, and to deliver an excellent service to the public. These principles include consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money. For example, the objective of the Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003) is to ‘secure sound and sustainable management of the fiscal and financial affairs of municipalities and
Municipal entities by establishing norms and standards…’ (South African Local Government Association 2011).

Municipalities face diminishing financial resources, massive infrastructural backlogs, outdated municipal computer systems and increased informal settlement establishments, which negatively impact the already constrained municipalities (Marutlulle 2017; National Treasury 2012). According to Kanjere (2016:29), ‘most municipalities in South Africa are perceived as being ineffective because of their inability to address basic socio-economic needs of local communities’. The perception stems from the fact that municipalities mismanage and misuse resources, funding and processes, and render poor service to the local communities.

Poor service delivery in local municipalities raises the question of whether incorporating an intrapreneurial attitude and mindset might improve services in those municipalities. Intrapreneurship relates to employees utilising innovative and creative skills to leverage opportunities to accentuate the quality of service by improving existing methods, efficiencies and effectiveness through optimised resource allocation and usage (Bartlett 2017). This study used the resource-based view (RBV) as a theoretical lens.

Intrapreneurship is an entrepreneurial behaviour within an organisation (Carland & Carland 2007; Farrukh et al. 2017) that has traditionally been more prevalent in the private sector, but the public sector can also benefit from such initiatives (Mustafa et al. 2013). Therefore, it is crucial for policymakers to understand intrapreneurship so that the policies can reflect the key elements of intrapreneurship to achieve economic progress (Farrukh et al. 2017; Salarzehi & Forouharfar 2011).

The researcher has not come across any published empirical evidence with practical reference to instances where public sector intrapreneurship has been successfully applied in South Africa. Municipalities are not profit-driven and there is a lack of literature linking intrapreneurship principles to municipalities’ operations. Mbecke (2015) observed that innovation, creativity and competitiveness do not exist in municipalities, therefore, he recommends promoting municipal entrepreneurship through streamlining the laws and strategies into a Citizen Charter. This study focused on the entrepreneurial activities of the citizens and there were no recommendations on the intrapreneurial mindset of the municipal employees.

Previous studies did not consider whether the policies in South African municipalities might encourage the incorporation of intrapreneurship practices into municipalities (Govender 2017; Khale & Worku 2013; Madumo 2016; Mpofu & Hlatywayo 2015). These studies (Govender 2017; Khale & Worku 2013; Madumo 2016; Mpofu & Hlatywayo 2015) recommended different strategies for improving service delivery such as employee development, leadership empowerment, improved governance and professionalism of municipalities. Therefore, this research focuses on strategies that would encourage intrapreneurship to enhance service delivery within the O.R. Tambo District Municipality.

The research investigated the existence of intrapreneurship in the policies and culture of the O.R. Tambo District Municipality in order to advance municipal intrapreneurship as an alternative strategy to promote, improve and sustain service delivery in local governments in South Africa. The research resulted in a framework that can incorporate intrapreneurship practices in municipalities, particularly, to improve service delivery in the O.R. Tambo District Municipality and its five local municipalities. The primary objective of this research was to identify whether municipalities use intrapreneurship and to explore which intrapreneurship drivers can improve service delivery within municipalities.

The research was conducted in the O.R. Tambo District Municipality in South Africa. The district covers about 80% of what used to be a marginalised homeland in the Transkei and consists of five local municipalities (Adams, Thekiso & Buwa-Komoreng 2021). The district is one of the six district municipalities of the Eastern Cape Province in South Africa. According to the IHS Global Insight Regional Explorer population report, O.R. Tambo district has the largest population in the Eastern Cape with 1 510 000 people (Meth 2019:38). Furthermore, this district municipality is the second poorest district in the Eastern Cape Province. The O.R. Tambo District Municipality is experiencing various challenges related to service delivery, including access to water, as 67.26% of citizens have no access to formal piped water. This means that a little more than half of the people living in this district do not have access to clean running water in their homes. Therefore, 34.60% of households in the O.R. Tambo District Municipality do not have access to any form of a toilet and 20.20% of total households are still using informal dwelling units (Nogumula 2020:41). The article places emphasis on the importance of intrapreneurship in service delivery by proposing a framework of intrapreneurial practices suitable for municipalities. How can municipalities, as bureaucratic government organisations, become intrapreneurial and innovative to overcome the challenges that they face? This article stems from a larger study conducted at the University of South Africa (Ntoyanto-Tyatyanitsi 2018). Intrapreneurship is influenced by the organisational structure (Azis & Amir 2020) and it is therefore, important to look at the municipal structure, which will be discussed next.

Contextualising municipalities

Municipalities comprise administrative and legislative authority structures. The local legislative authority is led by the municipal mayor who functions under the direction and control of a council that is elected by the community (Pieterse 2021). The municipal council is responsible for giving advice on local issues, making decisions regarding policy objectives, approving appointments and passing the budget (Koma 2010; Main & Muller 2020). They are generally appointed on a
5-year contract to represent their political party in a specific municipality. The South African municipal administrative structure comprises municipal manager and administrative staff (Matebesi & Botes 2017). The administrative structure determines, adopts and implements local public policy. The role of the Executive Mayor is to coordinate and monitor the identification of the needs of the municipality, as well as to review, evaluate and recommend strategies and Integrated Development Plan (IDP) programmes that address municipal needs. The mayoral committee assists the Executive Mayor in executing these duties. In most circumstances, these two structures overlap and malfunction because of political interference (Madumo 2016).

The Local Government Municipal Systems Amendment Act 44 (2003) has enforced the municipalities’ advancement of IDP. The IDP is a strategic tool that allows the community and municipalities to work together to find the best solutions to enable them to achieve long-term municipal goals (Reddy 2016). The IDP aims to improve the quality of life of the communities by effectively using scarce resources to provide services. According to the RBV, the municipality as a public entity should seek to optimise its resources and focus on gaining a competitive advantage to satisfy the service delivery objective. The strategies and programmes embarked on need to be aligned to the national and provincial development plans (Main & Muller 2020; South African Local Government Association 2011). As stakeholders of the municipality, communities are expected to participate in the formulation of the IDP to close the gap which exists between the municipalities and communities, and to facilitate a common understanding with regards to local situations, priorities and programmes (The Local Government: Municipal Systems Amendment Act 2003). The collaboration can enhance the skills and capacity of community members and enable community members to engage and make informed decisions with regards to their communal development needs (Main & Muller 2020; South African Local Government Association 2011), as well as prioritise the programmes that need to be embarked on.

Intrapreneurship as a strategy to innovative service delivery

Although intrapreneurship is commonly practised in profit-generating enterprises, its concepts are ubiquitous, and they can be adapted to enhance organisational performance in other contexts (Westrup 2013) which should include public entities. Local municipalities in South Africa have the difficult task of meeting the service needs of an ever-changing public, while operating in an increasingly economically constrained environment where resources and growth are diminishing (Nel 2019). Also, municipalities are mainly concerned with delivering services to the communities that they serve and are not profit-driven entities. As such, they do not adhere to entrepreneurship practices which are largely focused on making a profit. Nieuwenhuizen (2014) defined intrapreneurship as the creation of new business or initiation of innovation within an existing organisation and new ideas must create value. According to the RBV, intrapreneurship, which involves innovation and creativity, can be executed by municipal employees as an intangible resource to capture value (Jerevicious 2013). For O.R. Tambo District municipalities, a competitive advantage will be achieved if the municipality can meet its service delivery imperatives in the face of limited resources. The competitive advantage will be achieved if the employees can be intrapreneural.

Intrapreneurship is an approach that helps public organisations improve effectiveness (Blanka 2019), as intrapreneurial employees influence organisations’ performances through innovative activities resulting in the improvement of products and services. According to Azis and Amir (2020), intrapreneurship drivers include organisational structure, human resource management, top management support, rewards and risk-taking.

In 2017, South Africa went into a recession and recorded a 3.1% growth of the gross domestic product (GDP), while unemployment reflected at 29.1% (StatsSA 2018:7), while in 2019, GDP grew by a mere 0.4% in the fourth quarter (StatsSA 2019:7). The rising unemployment figure may be indicative of an increase in the number of poor families who are unable to pay for basic services, which negatively impacts revenue collection in municipalities such as the O.R. Tambo District Municipality. Consequently, the burden on the municipality’s capacity to meet service delivery demands is further strained. For example, Nyandeni Local Municipality, which falls within O.R. Tambo District Municipality, is largely rural, and during 2015–16 had a 77% indigent population with access to either no income or incomes of less than R800 per month (Nyandeni Local Municipality 2015:35), while the percentage of people in poverty is 80.32% (O.R. Tambo District Municipality 2019:80). It is therefore imperative that the district municipality finds creative ways of fulfilling its constitutional mandate of providing basic necessities to the communities that they serve. Intrapreneurship can help municipalities to conceptualise innovative ways to deliver basic services with constrained and limited resources.

Public sector intrapreneurship

Morris, Kuratko and Covin (2010) indicated that intrapreneurship can be fostered in organisations of all sizes and types, including non-profit and governmental organisations. Intrapreneurship is most successful if implemented as a management approach that allows for the incorporation of flexible and innovative management structures (Baruah & Ward 2015). Intrapreneurship has proven to improve the organisational and financial performance of organisations, thereby creating a competitive advantage for those who implement it (Salarzehi & Forouharfar 2011; Taylor 2018). The public sector is, however, notorious for its bureaucracy and anti-competitive tendencies (Masuku & Jili 2019) but Smith, Rees and Murray (2016) argued that intrapreneurial efficacy helps to break down bureaucratic inertia. Rwigema and Venter (2005) and Taylor (2018) agreed that the chaos caused by public sector inefficiencies may be redressed through intrapreneurship.
For intrapreneurship to be effective, the cultures of the municipalities must be adjusted to foster intrapreneurship, as culture may more likely influence the trajectory of public institutions (Cummings & Worley 2014; Timmons & Spinelli 2015). Bessant and Tidd (2015) agreed that the patterns of behaviour are critical for influencing change and growth in public institutions. In crafting a framework to promote intrapreneural behaviour, it becomes necessary to be cognisant of strategies that promote the desired behaviours. Public sector intrapreneurship cannot develop in isolation from the environment in which the municipalities operate. It is therefore necessary to look at the political environment that influences how municipalities operate.

Politics and municipal intrapreneural efficacies

The political environment in South Africa is volatile. As part of the post-apartheid redress initiatives, many political appointments were made (Local Government Sector Education and Training Authority 2016). Some of the municipal employees in influential positions do not have the necessary qualifications and skills required for the positions they hold (Westrup 2013). This means that crucial positions are not properly managed by qualified people. Management discretion and political interference in municipalities have resulted in the reduced coordination of tasks, which do not always yield the necessary benefits of service delivery (Garrone 2013; Mngomezulu 2020) and it also diminishes the development of healthy and responsive market orientation. Proper management is only attainable when there are no undue political pressures that prevent structured systems from operating efficiently.

Organisational culture as vehicles for improved intrapreneurship

Organisational culture is the medium through which an organisation articulates itself to its workforce, that is, shaped by the invisible values to direct the workforce and guide their behaviour and decision-making (Sharma & Sharma 2010). Fayolle, Basso and Bouchard (2010) suggested that organisational culture universally directs how and what individuals think and do within an organisation. Culture can be expressed in tangible and intangible forms. It is essential for the municipal organisational culture to change to adapt to the constrained environment in which they are operating by encouraging staff to find creative ways of fulfilling their mandate of service delivery.

It is necessary to reorganise an organisation’s structure to enable it to respond to changing internal and external conditions swiftly and updating all outdated policies (Koller 2016). A flexible and adaptable organisational structure becomes a vehicle to drive intrapreneurship (Firouzyar & Kojouri 2013). Flexibility is viewed as the extent to which different business units react efficiently while being supported by administrative relations and situational proficiency (Barrett, Balloun & Weinstein 2012). A flexible structural design is likely to encourage the free and open discussion of ideas among employees between departments and divisions within the organisation (Rundh 2011), which is helpful in the successful development of innovative intrapreneurial ventures (Hornsby et al. 2009; Singh & Lenka 2018). Culture drives growth and sustainable effectiveness to implement the business strategy (Bason 2018). Consequently, a flexible structure could be of value to municipalities in the attainment of a competitive advantage amid multiple competing interests, which include the political, economic and social dimensions (Singh & Lenka 2018).

As mentioned in the section on Intrapreneurship as a strategy to innovative service delivery the municipal structure comprises a political and an administrative component. The political component usually would overpromise during elections. In addition, communities also have misplaced expectations after the demise of apartheid (De Jager & Steenekamp 2019). This already muddied picture is further clouded by economic impediments that result in limited budgets and the municipality’s inability to collect revenue under difficult economic conditions (Van der Waldt 2015). Achieving a working relationship among the various municipal stakeholders is difficult as the municipal processes have become extremely bureaucratic (Baruah & Ward 2015).

Encouraging intrapreneurship is challenging and its implementation cannot be accomplished instantaneously (Lages et al. 2017) but rather incrementally. Organisations ought to strive to recognise and cultivate internal organisational factors that nurture a vibrant intrapreneurial environment and pursue an intrapreneurial orientation (Covin & Wales 2011). Morris et al. (2010) remarked that when intrapreneurs are not given the freedom to implement their ideas, they might become frustrated and leave the organisation altogether.

Gursoy and Guven (2016) pointed out that organisational culture shapes the trajectory of the organisation, as well as determines the extent of creativity and other elements of intrapreneurship that help to create a viable environment for exceptional performances. McGowan and Hu (2014) asserted that intrapreneurship assists an organisation in fulfilling its mandate. Organisational culture can therefore impede or provide the impetus to intrapreneurship, as well as determine the passion with which an organisation promotes innovation (Van der Waldt 2015). The creation of change agents becomes a critical imperative to change organisational culture. Another aspect is the legislative environment that forms part of the municipal structure that may also inhibit intrapreneurship practices.

The legislative environment in supporting intrapreneurship

As mentioned, the public sector is known for its bureaucratic barriers that impede the success of intrapreneurial contributions and largely function as a result of laws and policies (Garrone 2013; Masuku & Jili 2019). Statutes or Acts are laws that are voted for by an elected body, including a municipal
council, provincial legislature and the national parliament (Van der Waldt 2015). One of the most important Acts governing local governments is the Municipal Systems Act, No. 32 of 2000 (Rogerson 2018). The Constitution of the Republic of South Africa (Act 108 of 1996) is the supreme law in South Africa and all the other legislations are subordinate to the Constitution of the Republic of South Africa (Act 108 of 1996). Municipal by-laws are local government laws that are passed by a majority vote of a municipal council (Madumo 2015). The public is given the opportunity to review and comment on the by-laws before a municipal council may vote. Each municipality publishes its by-laws in what is called a municipal code (South African Local Government Research Centre 2014). Strict rules, regulations and standing orders govern councillor processes and procedures. Municipal policies that were approved by a resolution or by-laws are legally binding and thus enforceable by law (Kuratko, Horsby & Covin 2014). Lastly, there are regulations, frameworks and guidelines that are subordinate laws, which are approved by the municipal council, mayor and the executive committee that should also be adhered to.

Methodology

Given that not much information had been published on intrapreneurship within municipalities in the South African context, this research was exploratory and positioned within the interpretivist paradigm. The paradigm focuses on meanings and it also attempts to understand the context of each situation. Interpretivism employs the qualitative method of data collection. Face-to-face semi-structured interviews were conducted with the administrative managers (non-political appointments) of the O.R. Tambo District Municipality and all the local municipalities under its jurisdiction.

Population and sample

The study population consisted of all top and middle managers employed at the O.R. Tambo District Municipality and its local municipalities, namely King Sabata Dalindyebo (KSD), Nyandeni, Mhlontlo, Port St Johns and Ingquza Hill. The total study population of 187 consisted of supervisors, lower level, middle-level and top-level managers across five local municipalities in the O.R. Tambo district, namely KSD, Nyandeni, Mhlontlo, Port St Johns and Ingquza Hill. Purposive sampling was used to identify the sample. From this population, 15 top and middle-level managers were asked to participate in the study and saturation was reached after 12 interviews. The low-level managers, supervisors and general employees were excluded from this study as they do not have the expertise, strategic knowledge and decision-making capabilities, which were essential for this study, resulting in a balance of 50 top and middle managers. Not all of the top managers met the necessary criteria to form part of the sample. The managers were first approached to determine their willingness to participate. Thereafter, they were assessed in terms of their role and level of knowledge and expertise in the functions of the municipality. The 15 managers were selected based on their experience, availability and willingness to participate in the research. The sample of managers needed to have been employed for a minimum of 3 years, thus more than halfway were through their 5-year employment contract. The managers represented each of the municipalities that comprise the district. The sample size was also based on the principle of saturation (when no new information comes to the fore with interviews). If saturation had not been reached after the 12 planned interviews, the number of participants would have been increased. The sample relevant to the study needed to have access to information in the municipality to assess whether any intrapreneurship activities have been used or is evident in the environment. They also needed to have decision-making capabilities to introduce and foster an entrepreneurial climate if they bought into the concept of intrapreneurship.

Data collection and sample

A qualitative research strategy affords the opportunity for rich data to be gathered and analysed in a manner that exposes deep underlying issues (Kumar 2014). Data were collected in two phases: the first phase comprised an extensive desktop literature review and the second phase dealt with the collection of data through semi-structured interviews.

Twelve semi-structured interviews were conducted in January 2018 at the various municipalities of the O.R. Tambo District Municipality. Pseudonyms were allocated to each of the participants. In addition to the interviews, the researcher collected non-confidential municipal policy documents and integrated plans that were publicly available on the Internet. The documents collected included the Human Resource Development Plan, IDP-2016, Internal Audit Charter, Performance Management Policy, Scarce Skills Policy and the O.R. Tambo-IDPs-Final Draft for 2017.

The triangulation process involved the corroboration of data obtained from the interviews with the literature data and the information accessed from the documents specified. Triangulation facilitates corrective intervention (Cohen, Manion & Morrison 2011) of inconsistent or inaccurate information.

Data analysis

By using open coding, groups of codes were identified and translated into themes. The basic aim of the open-coding process was to organise large quantities of text into fewer content categories. The Atlas.ti coding function was used to identify keywords and to tag the data with initial codes, after which meanings were attached to the codes. Data analysis of the interview data, as well as the documents that were collected, was conducted by means of content analysis.

The researcher sought to increase external validity and trustworthiness (Higson-Smith et al. 2000) by using member checking, which affords participants the opportunity to review their statements for accuracy (Dudovskiy 2016).
checking also establishes the dependability of the data and the credibility of the findings (Amadi-Echendu 2016). Participants were also given the option to go through their transcripts and coding to clarify any misrepresentations. Credibility was also ensured by data source triangulation whereby multiple sources of data were used to validate the conclusions of the findings (Pitney & Parker 2009). The various sources of data that were included in the research for triangulation were literature, interviews and documents. To ensure rigour (Strauss & Corbin 1990), the researcher analysed the information and the data obtained from the first three interviews immediately to facilitate subsequent data collection.

Ethical considerations

Ethical clearance was granted by the University of South Africa (reference number: 2017_CEMS_ESTTL_019). Permission to undertake the research was also granted by the corporate communications department of O.R. Tambo District Municipality. All participants were requested to complete and sign an informed consent letter.

Presentation of findings

The findings of the data are presented according to the main themes that were identified during data analysis, namely legislative environment and policies, political factors, organisational structures and organisational culture. The responses from the participants indicated that the environment was not wholly enabling in as far as promoting intrapreneurship in the municipalities.

Legislative environment and policies

The O.R. Tambo District Municipality was created by statute (Corruption Watch 2014). One of the arguments in this line of thought, shared by five participants, is that existing legislative frameworks at the national and local government levels were in favour of intrapreneurship in theory, but it does not occur in practice. An enabling legislative framework is therefore paramount for any intrapreneurial activity to take place. The intrapreneurial activities would involve regular policy evaluations in which policies that curtail innovation are identified and amended. The participants, Zach, Hamilton and Samson (pseudonyms) explained how regulatory factors hinder intrapreneurship in their respective municipalities:

‘The policies are there, although they’re not more specific. You would look at your supply chain management policy, that’s the policy that you would use to advance intrapreneurship. You would look at various policies, your HR-related policies, your economic development, funding and strategies. These are the policies that should be discussed specifically with regard to intrapreneurship.’ (Zach)

‘As this participant, we are only appointed to carry out a decision of the council, based on the policy that they have adopted. That’s why, if you are found to have used something different from the policy and it is realised that, in the process, you have contravened what is in the policy, then there’s no mercy on you.’ (Samson)

‘The municipality is over-legislated.’ (Zach)

The bureaucracy was mentioned as one of the constraints to intrapreneurship in the municipalities. The bureaucracy that characterises the local government procedures has the effect of slowing down decision-making and killing off what could have turned out to be intrapreneurial and innovative initiatives. Two of the participants highlighted that this militates against innovation:

‘Red tape, the delays in the process and also the readiness of the communities to receive major investment programmes.’ (Promise)

‘I think the system is structured or the systems that govern local government, there is too much of red tape. I think the systems that govern local government are too much restricted to an extent that, in most cases, the people, when they perform, they might find it even demoralising because it becomes a bit stringent or difficult to really recognise what they are doing out of what is provided there systematically.’ (John)

The bureaucracy highlighted by the participants would make it difficult to be innovative and creative within the municipal environment.

Political factors

The municipality has partial political leadership and therefore could not escape the political element. Buy-in from politicians is imperative for intrapreneurship to take root within the municipality. Five participants highlighted the importance of role clarity by and among politicians, as well as a stable political environment. The participants also mentioned that politicians and management are not working together. As a result, there is no congruency of efforts, because at times, the two groups of stakeholders seem to be working against each other:

‘I think there must be a political way, there must be a buy-in where the politicians, who are the policymakers, they need to understand the importance of intrapreneurship, it’s very critical […] there’s nothing you can do in a municipality unless there is a political way, meaning that the intrapreneurship has to be understood by the politicians.’ (Richard)

“You mentioned about the political interferences, because sometimes, although we deal directly with the portfolio head, some councillors […] are coming to harass, when we go to the site, they come and interfere with our work. So, if they can control that.’ (Samson)

The results clearly show that the link between service delivery issues and political interference in the running of municipalities has an influence on the extent to which intrapreneurial practices may be applied. The coexistence of political ideals and the functional demands of service delivery provide a rough terrain for the fostering of intrapreneurship. There must be a clear distinction between the policy role of the politicians and the municipal employees who are ultimately responsible for the provision of services to the municipal community.

Organisational structure

Four participants highlighted the need for a clear, but flexible organisational structure that exhibits an openness to
organisational development and change. The management philosophy must be one that is open to new ideas and innovations, and should also be one that nurtures innovation and intrapreneurship. The municipal structures must allow for upward growth and out-of-the-box thinking, thus fostering innovation and intrapreneurship. Employees ought to feel that there is room for career advancement if they perform well in the positions that they currently hold. This is reflected in the following quotes:

'I think, with this one, one of the key factors that will influence intrapreneurship in our municipality is to have a flexible organisational structure that will allow a pathway for upward growth [...] at the same time the institution must be able to source out expert skills.' (Zach)

'The body of councillors make laws that make decision on the direction that the municipality follows. So, the Integrated Development Plan of the municipality, actually, is developed by them [...] So, the Council, basically, is a group of politicians that make laws, by-laws, policies and decisions on behalf of the communities.' (Hamilton)

'We have senior managers of the department sitting on that platform [...] in terms of the structure we have, the head of the department, who is the senior manager, will have someone who is a middle manager, which is our level. You then have your officers right up to the clerk level.' (Wilson)

**Organisational culture**

Intrapreneurship, by definition, is an intra-organisational phenomenon, hence, an organisational culture, which is conducive for the promotion of intrapreneurship is needed (Van der Waldt 2015). There must be a culture of performance and a willingness to take risks in pursuit of excellence and new opportunities. Ultimately, the appropriate culture must be commonly shared across the organisation. This view is shared by six of the participants who highlight the importance of culture in fostering a spirit of innovation and intrapreneurship:

'We do have a culture to a certain extent, but the culture really has to be cutting across all departments because a director for infrastructure should be having that intrapreneurship spirit and culture, a person from finance, a person from corporate services, a person from community services and all of the departments.' (Samson)

'Most government institutions don’t naturally have the culture of performance.' (John)

'Spirit might be there, but I do think we still need to do more as an organisation to actually inculcate and encourage that intrapreneurship spirit within the workforce.' (Richard)

Intrapreneurship itself could be well developed if the municipality has an enabling organisational culture and environment.

**Discussion of findings**

Block and MacMillan (2013) stated that local governance is inherently challenged with failed projects, bloated project costs against planned expenditure and low accountability to project responsibilities because of a lack of scope among implementing team members in the municipality. The IDP (2017–2022) for O.R. Tambo District Municipality has clearly indicated that there are mechanisms that should be put into place to mitigate the poor image of the municipality. In restructuring how projects are implemented and finalised, opportunities to incorporate flexibility and innovation in the municipality’s processes become possible. The change should be deliberate and intentional.

There are several laws that govern the operations of municipalities in South Africa from which regulations and policies arise. The legislative framework from the laws was identified as a major contributor to a very rigid and bureaucratic organisational structure in municipalities, as all actions and tasks are executed within the legal and policy frameworks. Participant Peter mentioned that ‘local government is a very complex organisation. Highly, highly legislated… innovation must happen within the context of the legislation and legal framework’. Zach added that ‘As officials, we are only appointed to carry out a decision of the Council, based on the policy which they have adopted’.

It is less likely that employees will think freely and act creatively. Failure to adhere to legislative and policy imperatives may result in dismissal or censure. With staff members being forced to conform to bureaucratic approaches, a culture of following rules and regulations without finding ways of improving the status quo becomes the norm. Gursoy and Guven (2016) pointed out that organisational culture shapes the trajectory of the institution through creativity and other elements of intrapreneurship:

So most government institutions don’t naturally have the culture of performance, so it’s something that needs to be worked on, generally, that the institutions must be converted close to corporate, although we know it’s government, but the environment provided by institutions and that type of culture, to be a performance culture. (John)

As participant John states, ‘it is clear that there is no intrapreneural culture in municipalities and employees are not motivated to perform at their level best’. As a result, many municipality employees are categorised as incompetent and not taking responsibility for what they do (Theletsane 2020).

Intrapreneurial culture should permeate the entire institution, structures and management of an organisation to enable innovation to flourish (Gursoy & Guven 2016). In order to change the restrictive environment in which municipal employees operate, management support and focus are needed to introduce a culture of performance and a willingness to take risks in the pursuit of excellence and new opportunities. Being willing and able to take certain risks may result in municipalities achieving their constitutional mandate to deliver services effectively. Therefore, by implication employees need to become the drivers of intrapreneurship and a more flexible organisational structure. The data collected indicate intrapreneurship drivers within the O.R. Tambo
Municipal District to be organisational culture, the legislative environment, political influences and strategic intent. The legislative environment within local government includes top management (councillors and executive committee) of the municipality. It may be useful to introduce intrapreneurship into the municipal environment by linking specific principles to preidentified projects in order to coach staff into a different approach and thinking, rather than promoting radical large-scale innovation. Incremental changes may over time add up to achieve major overall benefits.

The human resource development plan read in conjunction with the scarce skills policy highlights the importance of making sure that the municipality employs properly skilled people who would have the drive and the capacity to foster proper service delivery. If management skills are enhanced to curb any insecurities, they may be successful in empowering functionaries within the municipality to take risks and identify different approaches to become more successful in municipal endeavours.

The blurred lines between the administrative and political wings because of cadre deployment in the municipalities is a hindrance to intrapreneurial practices in the O.R. Tambo District municipalities. Observation made by participant Richard, ‘Especially in our municipalities within this district, the integration between politicians and officials is overwhelming, that makes it a bit confusing and that affects people’, confirms that cadre deployment makes it difficult to separate administration from politics as cadres serve the best interest of the ruling party and not necessarily the service delivery imperatives (Madumo 2015; Theletsane 2020; Twala 2014):

In countries where this system of local governments is applied, you would see mayors and members of Council, especially the political arm, are people with relevant experience, maximum experience in that particular field, so then they advise the administration, but, in this case, it is twisted’. (Tom)

According to Tom, this means that cadres who are appointed into key positions do not necessarily have the required experience and prior knowledge that pertains to the jobs. Under the politicised bureaucratic model, politicians are the ones who take centre-stage and lead the administrators (Mafunisa 2003; Sebola 2014).

Party policies tend to be populist, as they are meant to entice the voter, while administrative policies are grounded in the principles of sound corporate governance and financial management as enshrined in law and common practice. It is because of this dissonance and disconnect that municipalities fail to meet their service delivery imperatives. Intrapreneurship becomes difficult to introduce from the administrative side as politicians promote a different agenda.

As this participant mentions, administrative strategic posts are appointed by councillors:

‘At our level, for example, you just must do as Council tells you because, if you don’t, then you are likely to be chased out.

Because we get employed by the council. Even though the position gets advertised, you apply just like any other person, but then interviews are conducted by counsellors, the actual employment […] they are the one who decides whether you should be employed or not. So, it’s really tough.’ (Hamilton)

This current practice of cadre appointments needs to be challenged and changed.

It is also known that municipal management is usually appointed on a contract for up to 5 years. New political placements may also drive different agendas from the previous placements. These changed agendas may create a break in the implementation of important or significant projects. Mechanisms need to be put into place to provide continuity of projects and to preserve institutional knowledge to ensure that implementation of all projects that were promised are delivered to surrounding communities. This will foster stability and build trust between the municipalities and their communities. Funds that were committed to previous projects will also not be lost if the project is abandoned and the full benefit that was initially planned and intended may be derived as a result.

**Proposed framework**

Based on the aspects identified during the data collection and data analysis, Figure 1 is a conceptual framework for the integration of intrapreneurship drivers in municipalities to enable improved service delivery. The intrapreneurship drivers that were discussed in this article are organisational culture, the legislative environment, political influence and strategic intent. In Figure 1, the community and legislative imperatives form the foundation that drives the entire municipal processes and structure. The municipality must deliver services to its community and all Acts, statutes and policies must be adhered to. The community votes for the party and councillor that will serve them and the elected party selects the mayor that will serve the particular area. In turn, the political appointments must ensure that the promises made during their campaigning are introduced. Working alongside the political appointments are administrative staff, directors and other municipal staff that report to the administrative manager and not the councillor or the mayor, thus creating dual reporting lines. A mismatch of priorities may cause much confusion. Essentially, political appointments may seek to advance political sentiments, while administrative management needs to ensure that services are delivered within a constrained municipal budget.

Factors that influence the structure and processes include the municipal strategic formulation and planning that are captured in the IDP document and financial and human resources that are available to effect service delivery. Essentially, policies are compiled from strategies and policies should be amended in accordance when strategy changes. It is also crucial to understand that a particular value system usually underpins policies and not necessarily the rule attached to the policy. Rules usually enforce a particular context and value systems
are not contextual. The value system enables the rule to be adapted to current conditions. Regrettably, many policies are not amended as strategies change, and in many instances, policy becomes the shield behind which people hide to not operationalise the necessary amendments. It is in this context that organisational culture plays an important role.

For intrapreneurship to be incorporated into a municipality, the intrapreneurial drivers need to be cultivated among municipal staff that will eventually impact the organisational culture. Intrapreneurial drivers include an enabling environment, innovation management support, motivation and rewards, which may result in more innovation and a flexible and creative workforce. An intrapreneurial culture would motivate employees to become innovative and proactive in developing new ways of accelerating service delivery to the community they serve. However, both councillors and administrative managers need to buy into the intrapreneurship ideology to enable policies, structures and processes that allow for the execution of intrapreneurship practices. Additional funding is not required for intrapreneurial ventures to be considered, but creative ways of prioritising the existing workload with the required accountability to stretch the same resources to cover more projects are necessary. Therefore, the RBV underpinned this study. Intrapreneurship practices (innovative and creative skills, motivation and rewards, flexible organisational structures, intrapreneurial organisational culture and policies and procedures supporting intrapreneurship), if properly implemented, will allow for the same resources of the municipality to achieve more efficient output. The evolved practices will become intrapreneurship drivers that will work together to advance intrapreneurship.

### Conclusion and recommendations

The aim of this research was to investigate whether municipalities practise intrapreneurship and how intrapreneurship drivers may be incorporated into the municipal environment to improve service delivery to surrounding communities. The data that were collected from the qualitative interviews indicated that intrapreneurship is not currently being practised by the O.R. Tambo District Municipality. With reference to the RBV, Ge and Le (2019) argued that innovation requires intrapreneurs to identify resources and capabilities that can be combined and transformed to produce innovative forms of a competitive advantage (Chumphong, Srimai & Potipiroon 2020; Lukovszki, Rideg & Sipos 2020). Tipu and Fantazy (2017) viewed intrapreneurship itself as a resource that must be strategic instead of opportunistic.

The reality is that municipalities have constrained resources and have been struggling to collect monies due to them because of rising unemployment numbers that create more poor households when compared with previous years. The legislative framework within which municipalities work create much bureaucracy and a much-constrained environment, which has impacted the municipal organisational structure and culture. In addition, a dual reporting line of two groups of staff that look after different...
priorities sometimes also create disarray. Some top managerial positions are temporary contract positions that lack continuity of the implementation of long-term projects.

The major finding of this study was that intrapreneurship is not consistently applied in a focus approached in the O.R. Tambo District Municipality. Another finding confirms that the legislative framework of the municipality contributes to the rigid and bureaucratic structure of the O.R Tambo Municipal District. A major shortcoming identified was that planning and strategic decisions exclude low-level employees who interface with the communities.

It was concluded that municipal managers were inhibited by the restrictive relationship with the politically deployed municipal councillors, the tight controls because of legislative and policy regulations and the allocation of scarce resources, which all contribute to a dampened creativity. It is therefore clear that the bureaucratic environment is not flexible enough to encourage and reward intrapreneurial conduct among employees. Municipal employees are not afforded the opportunity to practice intrapreneurial activities in their work environment because of rigid policies. Policies ought to be amended to allow for flexibility that will foster an enabling working environment, which may lead to innovative ideas that will accelerate service delivery.

To overcome the lack of service delivery, it is recommended that the implementation of service delivery imperatives, while informed by politics, should be left to administrative staff. Planning should not be restricted only to managers, while staff working on the ground may be able to contribute meaningfully to the IDP. The local community should also play a role in the planning process. The executive management needs to align the strategic goals of the municipality to the drivers of intrapreneurship by incorporating low-level employees into the planning stages of the IDP. The introduction of intrapreneurship initiatives and principles may initially be limited to specific projects in order to incrementally introduce a more flexible and innovative approach to service delivery.

This research recommends the implementation of an entrepreneurial framework, which can be tested in municipalities with limited resources. This framework will assist strategic leaders, policymakers, staff, politicians and councils in municipalities to enhance their service delivery efforts to the communities through intrapreneurship.

For future research, it is recommended that a quantitative approach should be employed to cover all the employees of the O.R. Tambo District Municipality including the members of the Executive Council and Councillors to gain more insight into the prevalence of intrapreneurship. Future work would involve testing and evaluating the framework in practice.

There are numerous aspects that impede the service delivery of municipalities in South Africa. Intrapreneurship provides a mechanism to find better and more innovative ways of managing resources in order to produce a bigger output. The research aimed to assess whether intrapreneurship elements were present within the O.R. Tambo Municipality and explore how these principles may be introduced into the environment. Although the municipalities do not operate for profit, they can still use the intrapreneurship principles to enhance service delivery options and partnerships for improved results.

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Data availability

Raw data from the participants and transcripts are available, which includes the participant identifiers.

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