

The Need for (Public) Entrepreneurship in Hospitals

A Case Study

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Track: Social Entrepreneurship – Entrepreneurship and Innovation in the Not-for-Profit

Abstract

The need for entrepreneurship in hospitals – in Austria they are organizations belonging to the public sector - arises from several shortcomings that exist in the management and organization of these enterprises. The provider industry is based on non-profit ownership. For this reason no or less culture exists for innovations and process improvements. It is a fragmented industry where there is no real leadership at any level. The providers have made their technological investments in patient care rather than in information systems and infrastructure. The consequences of these variables make it very difficult to change hospitals into modern service providers.

The analysis of entrepreneurship in the public sector has to be done very carefully because the used attributes to describe entrepreneurship must not be necessarily applied for this sector. Entrepreneurship refers to the ability create visions, to make decisions, to identify needs in the marketplaces, to act proactively, to implement new ideas, to be innovative and to take risks. It is a process through which individuals and groups pursue opportunity, leverage resources and initiate change to create value. In this connection following questions arise: Are these attributes of entrepreneurship suitable for enterprises in the public sector? Or do we need new concepts in the sense of “public entrepreneurship”? For example the environment of hospitals are characterized by numerous federal and regional regulations, which affect the events in the

hospital in different ways (e.g. size of the enterprise, operating expenditures, personnel planning, etc.). It also must not be forgotten that the hospital has to fulfill also central social tasks. These complexities combined with the different interests make entrepreneurship much more complicated. The aim of the study is to give answers to the above questions. The results derive from an inquiry done in an Austrian hospital in 2003. 29 people from different structural levels were asked in form of open questions about the tasks of their departments, their individual activities, ways of cooperation, leadership etc. The texts were analysed with the qualitative method GABEK® (© Josef Zelger). It is a tool to examine textual qualitative data and it is based on a theory of linguistic gestalten. With the help of “gestalten trees” and “causal network graphics” models it is allowed to identify the attributes of entrepreneurship in the hospital as well as the their effects for the whole organization. The presentation modus of the method shows different connections of the variables that allow developing a framework for public entrepreneurship.

Keywords: Public Sector, Hospital, Attributes of Entrepreneurship, Public Entrepreneurship, Linguistic Analysis