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#### Abstract

This article sheds light on entrepreneurship in the public sector. The purpose is to provide insights into internal entrepreneurship process of transferring innovative projects into a permanent operation. The empirical material is drawn from a project realizing a new and unproven organizational solution in human services with the aim of improving young people's mental health. Employees of social services and education departments jointly conduct the project. References based on internal entrepreneurship and project management constitute the article's frame of references. An interactive research approach is used. The results show that it was not enough to establish a strong horizontal organizational support and produce exceptionally good results in order for the project to be transferred into a permanent operation. The funding of the project was outside the management system and thus not incorporated into routines and procedures such as budgeting and follow-up reporting. Consequently, descriptions of the innovative project's success and efficiency gains were not linked administratively to the management system. The lack of information to the top management led to no decision being made about permanentizing the project. The findings highlight the hierarchical relation; the importance of make an innovative project visible to the top management through the management system.

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## Introduction

Since the 1990s, expectations for the public sector to be more effective and innovatively oriented have increased (Diefenbach, 2011; Lundström & Sundin, 2008; Luke, Verreynne & Kearins, 2010). Innovations – new and unproven ideas – about making daily operations more efficient often originate from employees, on the basis of their experience and expertise (Morris, Kuratko, Schindehutte & Spivack, 2012; Pinchot, 1987). To realize new and unproven ideas, employees have to assume the role of change agents. One general term used to describe this type of role and process is internal entrepreneurship; other terms include corporate entrepreneurship, organizational entrepreneurship, and intrapreneurship. Internal entrepreneurship is often described as something that performs the role of external entrepreneurship within the organization (Sadler, 2000). There are similarities between external and internal entrepreneurship. For example, the internal entrepreneur, like the external, enacts new opportunities and is dependent on resources. Directly transferring knowledge of entrepreneurship in order to better understand internal entrepreneurship, however, is problematic (Burgelman, 1985). Internal entrepreneurship processes take place within an established organisation with organizational structures and procedures such as existing resource distribution routines, principles of decision making, and fixed structures (Luchsinger & Bagby, 1987; Molina & Callahan, 2009). Moreover,

external entrepreneurs has much more personal control over the project's destiny, while risking private capital (Morris, Davis and Allen, 1994). The risk capital of internal entrepreneurs belongs to the organization, while they risking their own careers.

In several studies, it emerges that internal entrepreneurship is an important issue for every organization (e.g. Antoncic & Hisrich, 2003; Barlett & Dibben, 2002; Wunderer, 2001). Internal entrepreneurship is an engine in the self-renewal and efficiency gains of organizations (Diefenbach, 2011; Lowndes, 2005). Morris et al. (1994:84) express this as follows:

Teams and groups are invaluable in modern organizations, and play a critical role accomplishing corporate entrepreneurship. However, these findings suggest that individuals matter, and must be given the incentive and autonomy to identify opportunities and champion innovative products and processes.

Research stresses also that strong organizational support is important for internal entrepreneurship, including from top management, in order to succeed with minor innovations as well as with more radical and revolutionary changes (Barlett & Dibben, 2002; Diefenbach, 2011; Hisrich, 1990; Sundin & Tillmar, 2008).

Entrepreneurship within the organization is usually associated with the private sector and what occurs there (cf. Germak & Singh, 2010; Holbrook, 2010). However, internal entrepreneurship exist in all types of organizations in the public sector, depending on time, place, and situation (Mack, Green & Vedlitz, 2008; Sundin & Tillmar, 2008; Zerbinati & Souitaris, 2005). On the other hand, the public sector operates in circumstances that differ fundamentally from those of the private sector in areas such as the environment, objectives, obligations, and financing (Morris & Jones, 1999; Sadler, 2000; Diefenbach, 2011). The relatively limited research concerning internal entrepreneurship in the public sector results in that the processes of realizing and transferring innovative projects into a permanent operation have not been to any great extent. There is, thus, a need for more empirical studies from the perspective of what happens in the process and what are the challenges of integrating innovative projects into a regular part of the organization. Such knowledge increases our understanding of how employees assume the role of change agents to make daily operations more efficient and how the organizational support can be developed.

The purpose of this article is to provide an empirically-grounded analysis of a successfully innovative project in the public sector in order to provide insights into the internal entrepreneurship process and challenges of transferring the project into a permanent operation. The empirical material deals with a minor innovative project, a new and unproven organizational solution, in human services (Hasenfeld, 1983) with the aim of improving young people's mental health. Employees of social services and education departments develop and operate the innovative project jointly. There are reasons why realizing a minor project in human services concerning young people's mental is an adequate case

to study. For the first, a minor project provides knowledge in which every day processes operate, for realizing new and unproven ideas (Burgelman, 1983; Diefenbach, 2011; Kanter, 2004). Second reason is that we still know little about internal entrepreneurship in human service organizations, e.g. education and social services, despite the fact that those organizations constitute a large part of the public sector in Sweden. A growing number of discussions are based on the fact that employees in the field of young people's mental health have to find new ways to be able to work preventatively and resource-efficiently (cf. Bihari Axelsson & Axelsson, 2009; Hansson, Øvretveit, Askerstam, Gustafsson & Brommels, 2010; Johnson, Wistow, Schulz & Hardy, 2003; Persson & Westrup, 2009). While many innovative projects have been launched in human services as a result, their success is, however, limited as they are seldom integrated into regular organizations (e.g. Myndigheten för skolutveckling, Rikspolisstyrelsen & Socialstyrelsen, 2007; Socialstyrelsen, 2010; Skolverket, 2010; SOU, 2010). It is, therefore, reasonable to believe that there are challenges for successfully innovative projects to become permanent.

In this article internal entrepreneurship is used as a general term for entrepreneurship within an organization. The term corporate entrepreneurship is more useful in the private sector and the term intrapreneurship has a stronger focus on the internal entrepreneur per se (the co-worker as a self-initiated intrapreneur). The article focuses on internal entrepreneurship as a process of change and development and, not on internal entrepreneurship as a strategic tool used by organizations for innovation and efficiency (cf. Åmo and Kolvereid, 2005; Antonicic, 2001). Internal entrepreneurship has a lot in common with project management. When something new and unproven is put into practice in the public sector, internal entrepreneurship is usually defined as a project (Lindberg, 2009; Löfström, 2010): a temporary organization, outside regular operations and formal procedures (Engwall & Westling, 2004; Jensen, Johansson & Löfström, 2007). Both, internal entrepreneurship and project management include implementing ideas and responding to uncertainty originating from the local environment. The article's theoretical frame of reference is thus based on internal entrepreneurship and project management. References come from the field of internal entrepreneurship, corporate entrepreneurship, organizational entrepreneurship, and intrapreneurship. The reference regarding project management in public sector focuses on the uncertainty of the environment, both horizontally and vertically. This combination of references is used to analyze the process of implementing an innovative project, as well as the challenges.

The article is structured as follows. First, the frame of references is presented. Then, the study's methodology is described, as well as the ways in which the empirical material was collected. An empirical description divided into three themes follows: (1) Selling the innovative project, (2) Implementing the innovative project, and (3) Protecting the innovative project. An interpretative section follows, in which the empirical material is analysed and discussed from the perspective of process and challenges. Finally, the study's findings are discussed and practical implications are suggested.

## Frame of references

Employees performing internal entrepreneurship have courage and the driving force to put new and unproven ideas, innovations, into practice; “empowered” employees (Barlett & Dibben, 2002; Morris & Jones, 1999). Any aspects connected with combining resources in new ways are included in innovation; everything from relatively minor improvements or innovations of services, products, routines and procedures, or organizational design to more radical and revolutionary changes (Pinchot & Pellman, 1999:1; Saly, 2001:11). It is the fact that something has to be changed or developed and someone has to do it that starts the process of internal entrepreneurship. Internal entrepreneurship is something that becomes, and is not formal (Mack et al., 2008). Most innovations are not regarded as self-evident or necessary until after the new idea has been implemented. An innovation is carried out proactively, rather than reactively, in response to an assignment created by the organization (Borins, 2000; Brunåker & Kurvinen, 2006). Mühlenbock, (2008:143) underlines the proactiveness, as there is no expectation that something will be done and nobody will enquire about or blame anyone for not taking action. Circumstances determine whether or not an employee becomes entrepreneurial (Morris et al., 2012:11). Internal entrepreneurship is thus created within the existing situation.

When realizing something new and unproven, several employees will often collaborate within a project team (e.g. Burns, 2005). The project team may, in the long-term, be developed into an internal entrepreneurship team with a more collective image (e.g. Larsson Segerlind, 2009; Stewart, 1989). Mack et al. (2008) stress that it is important for the activities to be viewed as a group process, since internal entrepreneurship is a collective action from beginning to end and since it is less likely that one member will single-handedly abuse power and resources. Mack et al. also point out that the key to successful innovation is a local focus and a group decision-making process, which stress consultation and cooperation between the participants. Pinchot and Pellman (1999:2) underscore, however, the fact that, even within an internal entrepreneurship team, one person is usually in charge:

Most teams are led by one intrapreneur, but all the members of the team can be called intrapreneurs as long as each understands the whole dream and is continually working to find better ways to make it happen.

According to Pinchot (1985:40), the internal entrepreneur will have to transgress his/her organizational boundaries in order to implement the idea by assuming the overall responsibility for it and by performing tasks that other people would normally perform. Pinchot compares this to being the “managing director” of a non-existent operation.

Managing an innovative project while simultaneously protecting it is difficult, or almost impossible. The internal entrepreneurship team will need to find people in the organization who support and champion the idea, as well as actively engage in protecting it (Barlett & Dibben, 2002; Sundin & Tillmar, 2008).

Proceeding with a new idea involves direct costs; money needs to be available to allow it to proceed (Birkinshaw, 2000:125; Chisholm, 1987:39). Pinchot (1985:208) stresses that the difficulty of assigning resources from management systems is the primary reason why innovative projects do not survive: if the internal entrepreneur team does not have any funds available, it will be unable to implement measures at the right time. According to Diefenbach (2011), support can assume many different forms, e.g. support from higher-level managers (i.e. promoting behaviour), work discretion (the freedom to decide how to carry work out), rewards/reinforcement systems, resource availability, and management systems. Hisrich (1990:220) emphasizes the fact that strong organizational support is important, including support from top management, as internal entrepreneurship is the organization's secondary activity. The management system thus needs to secure continuous information concerning innovative projects. Burgelman (1985:96) pointed out that administrative linkages have to be established in order to report information to top management about the ways in which strategic objectives are being set, how resource allocation is being managed, and how relationships are being determined.

Organizational and management support is crucial for internal entrepreneurship (Alpkan, Bulut, Gunday, Ulusoy & Kilic, 2010; Luchsinger & Bagby, 1987). Consequently, uncertainty originating from the local environment may have a critical impact on the internal entrepreneurship process of transferring a project from a temporary to a permanent operation. The project's uncertainty of its environment can be high or low, and can also be horizontal uncertainty and/or vertical uncertainty (Jensen, Johansson & Löfström, 2007). The horizontal dimension includes the demands and prerequisites involved in operating the project. It also concerns relationships such as work processes within the project and collaboration with other organizations. The vertical dimension concerns the demands and prerequisites of management (hierarchical relation). It addresses the extent to which the project is managed from the top in the form of planning, directives, resource allocation, monitoring, and evaluation.

## **Method and material**

The empirical material is taken from a project conducted in the Limhamn-Bunkeflo district of the City of Malmö, Sweden, a district with about 40,000 inhabitants. This district is expansive and has grown quickly during recent years due to both new residents and new construction projects. As a result, there has been an increase in the number of problems involving the target group young people. The need to encourage staff in social services and education to collaborate more with regard to their shared target group has thus increased. In this district, a new organizational solution was created in the form of an operative work team that consists of both social services and education. The operative team is an innovative activity, which was started to enable social services and education to work together with children aged between 12 and 16 who are experiencing mental health problems.

For two years (project period 2008–2009), I followed activities by participating in a strategic planning group within the district. The planning group included (from the district): the manager of individual and family care, the manager of education, and the manager of finances. This strategic planning group, together with the researchers, aimed to plan, follow and create lessons concerning not only the new organizational solution, but also to do with several development projects. I attended planning group meetings on twelve occasions (every other month); each meeting lasted about two hours.

The case study is used to follow the work of realizing the idea of an operative team. Yin (1994) describes the case study as an empirically-based inquiry which studies a phenomenon in its natural context. Yin points out that the research design is primarily suited to situations in which phenomena cannot be separated from their context. To get close, as a researcher, to the actors involved in the process, I have to talk to these actors (Lowndes, 2005:306). I thus actively participated in the strategic planning group's discussions. The discussions can be described in terms of searching for and creating shared knowledge between the participating practitioners and researchers. This type of systematic dialogue between researchers and practitioners, aimed at creating shared and expanded knowledge formation as well as making a contribution to development, is known as the interactive research approach (Svensson, Ellström & Brulin, 2007; Svensson & Aagaard Nielsen, 2006; Johannisson, Gunnarsson & Stjernberg, 2008). Svensson (2002:13) underlines the fact that this approach involves creating a reflective community, and explains that: "the objective is to make discoveries, to create new knowledge that is both practically applicable and theoretically interesting". The basis for this type of approach is practitioners and researchers providing various contributions to development based on their experience and competence.

To broaden the picture, the two operative team workers were interviewed twice as a group. The first occasion was in the autumn of 2008 and the second was in the spring of 2009. The purpose of the interviews was to obtain the team workers' descriptions of the development process, and the results. Two supervisors (the team's most immediate managers) were also interviewed in a group interview. The aim was to obtain their story about the development process during planning and implementation. This interview was in the autumn of 2009. All three interviews lasted for about one and a half hours and were structured like open conversations during which the interviewees were given the opportunity to speak relatively freely and independently (Easterby-Smith, Thorpe & Lowe, 1997). All planning group meetings and interviews were documented using a voice recorder, together with minutes and notes. In addition, half-hour discussions also took place at the district's top management meetings in the autumn of 2008 and in the spring of 2009. The discussions provided an insight into the ways in which top management handled the project, and why.

The method I used to collect empirical data was, for the most part, involvement in the strategic planning group, but there were also interviews with supervisors and team workers, and I participated in discussions during top manage-

ment meetings. As a researcher, in accordance with the interactive research approach, I participated actively in the discussions, conveyed knowledge, and created theoretical frames of reference, thereby influencing the participants. I spent large parts of the planning group meetings discussing the idea behind the operative team, the process of implementing it, and the challenges of securing the team's future. This provided an insight into the work of realizing the new organizational solution, as well as opportunities to capture rich data for the empirical description. There is, of course, an opportunity that I involved and affected the internal entrepreneurship process to a great degree. On the other hand, I did not take part in any practical and operational work.

## **Empirical description**

### **Selling the innovative project**

At the end of 2006, the individual and family care manager (from now on "the IF-Manager") formed a management group consisting of four individuals in order to focus on young people's mental health problems within the district. Besides the IF-Manager, there was also one member of staff from social services and two from education. The management group held regular meetings once or twice a month. Even though it acquired knowledge from the literature, conferences, and courses, it also discussed what might be practically feasible and sustainable within the district. The group started by cataloguing children's mental health problems within the district. This inventory showed that children's mental health problems, including truancy, externalizing behaviours, depression, eating disorders, self-harming behaviours etcetera, constituted a growing problem. As the number and variety of mental health problems among young people had been growing within the district, the management group decided that social services and education would benefit from collaborating around this target group. The management group discussed a form of collaboration consisting of an operative team that included one co-worker from social services and one from education. The idea behind the operative team was that these activities would not belong organizationally to social services or to education, but would operate between them.

The management group started to plan and prepare the team by discussing and clarifying the target group, which methods to use, and the way in which the work was to be organized in broad terms. The group had set targets for the team's activities, targets which were formulated in rather vague or general terms. The reason for that was described by the IF-Manager as follows: "it was impossible to predict what could be achieved with something that is unproven". To launch the idea of a team, the management group was also forced to sell the new idea to the district's top management. It was important, according to the management group, to portray the operative team as an issue that top management perceived to be essential and which might reasonably be developed within the district. The idea was portrayed as a project between social services and education and as a new solution that would reduce children's mental health problems

within the district. The inventory, which the management group had previously compiled, constituted key data. It showed that children's mental health problems pose a difficulty and that collaborating around the target group was necessary. The response from top management was positive. At the same time, however, top management clearly indicated that no funds were available to finance the operative team during implementation; the management group had to use external funding.

To realize the innovative project, external funds were required for covering the wages of the team workers; the IF-Manager promoted the issue of applying for grants. The management group did not want to lose momentum, and started recruiting two team members before the issue of funding had been determined in order to be able to start as quickly as possible if funds became available. The management group obtained a grant from the Agency for Educational Development; a grant which was estimated to cover the wage costs of two team workers during 2008 and 2009. The money, a lump sum, was entered into the budget for the district as specially earmarked "external project funding".

### Implementing the innovative project

The management group continued to combine the resources and responsibilities of social services with those of education, also being determined that both team workers and managers would represent the two organizations. This combination constituted an important and unshakable part of the vision. The team's most immediate supervisors would thus consist of one person from each of the organizations. They would be supervised in turn by the IF-Manager and the manager of education. The section manager of treatment and assessment from social services and the manager of the resource team from education became the team's supervisors and were also members of the management group. This new operation, involving shared control, entailed new ways of working for the supervisors whose responsibilities and roles were not defined any further. The IF-Manager frequently mentioned that the supervisors were working in the direction that she wanted them to and she thus allowed them to shape their own roles and work.

The team started its operations in early 2008. According to the strategic planning group (the IF-Manager, the manager of education, and the manager of finances), the project had mostly been well prepared and carefully considered by both the management group and the supervisors at the time of launch. Workers from the operative team met regularly with the supervisors once a week, or every other week. The management group also met the team regularly, once or twice a month, for checks and discussions about the choice of working methods. The strategic planning group had high expectations of the individuals involved in the project, maintaining a high pace. The team workers, the supervisors, and the management group accepted that the strategic planning group behaved particularly and wanted to hurry the project along. "The pace is probably a way of carrying the project through as the time allotted to it is relatively short", as one of the supervisors said. At the same time, the planning group consistently praised the work to realize the operative team. The IF-Manager constantly highlighted



the work of the supervisors, and expressed it for example as follows: "It's been developed so enormously carefully. Both supervisors have put so much energy into organizing and they've persevered. It's so organized and there's such a quality about it."

The management group encouraged the team workers to carry out a few internal presentations in order to promote their activities to headmasters etcetera, also ensuring that the team's work was presented at both national and Nordic conferences. Above all, however, the management group ensured that the team members had time to think about and work with children with mental health problems. The IF-Manager constantly emphasized how well the work with these children had been carried out, saying the following, for instance: "When you see how professional it is and what they are really doing in the programmes involving children, you understand its quality and how much help these children can get and the implications for their education."

A follow-up of the operative team's activities in 2008–2009 was carried out at the request of the strategic planning group. The team workers compiled the report in the autumn of 2009. The report revealed that the team had made significant achievements. It had worked with individual cases (32 in all, many of which involved serious problems), group activities, and supervision, as well as with staff consultation and parent support. The result of their efforts was positive and had been verified using various scientifically-established methods of measurement and observation, as well as statements, oral and written, from the involved pupils, parents, school staff, and social services staff.

During the spring of 2009, another survey was conducted, at the request of the strategic planning group, to find out the views of staff members who had been in contact with the team, e.g. headmasters, educators, study counsellors and vocational guidance officers, school nurses, social workers, psychologists, and social welfare officers. Forty professionals were sent questionnaires, fifty percent of which were returned. Ninety-five percent of the respondents believed that the work conducted by the operative team had provided the young people and their families with either good or very good support. One hundred percent of the respondents felt that continued collaboration with the team would be beneficial. The strategic planning group also asked a controller to make financial calculations, along with the team members, regarding its work with the target group. The project was clearly cost effective when compared to traditional efforts.

#### **Protecting the innovative project**

The district's financial situation was problematic and major savings programmes had to be included in the budget for 2010. The team's activities were presented to the district's top management, after pressure from the strategic planning group. This presentation consisted of a short, oral presentation made by the two team workers alongside the formal budget process. The management group, the supervisors and team workers as well as the strategic planning group were able to establish that, while top management had been positively inclined towards the team, it was not interested in prioritizing its activities without external funding

for the project. Top management did not allocate the internal funding that would allow the team to become a permanent operation.

According to the strategic planning group, the team had not been treated fairly during the budgeting process. A lot of the district's time and resources had already gone into realizing the team and getting it to work, in the form of activities such as preparing the management group (starting in 2006) and the supervisors, training, organizing staff and developing working methods. While both organizations had been involved in financing these costs, there was no combined cost scenario in the financial accounts as the operative team did not belong either to social services or to education.

The future of the team became more and more uncertain and there were rumours that it would not be able to continue its activities. The strategic planning group kept the innovative project going, however, by remaining in constant touch with the team and its supervisors, urging everyone to keep working and to carry on. The IF-Manager made some statements, for example: "the last word hasn't been said yet" and "it's still not over!" The strategic planning group was determined to find a solution even though top management was not prioritizing the operation.

The IF-Manager and the manager of education had to start finding funding from their own budgets. The strategy used by the two managers was based on convincing others about how much education appreciated the work of the team. During the autumn of 2009, the IF-Manager explained to the manager of education that, while the department of social services was able to finance one of the team workers, the education department would have to finance the other. The manager of education found it difficult to finance his part due to extensive cuts in education funding. When the three managers in the planning group discussed strategy with each other the IF-Manager formulated out loud what they have say to the district manager, and saying the following: "It's actually the case that, in times like these, it would be strategically good if education got this support. They have a lot to put up with at present due to these savings programmes. Strategically, it's absolutely right! Can we take a look at this one more time?" After that, the IF-Manager said to the manager of education: "But you also need to support this when I'm pushing it, otherwise it'll be impossible." The IF-Manager got a support of the manager of education. The IF-Manger also tried to get, and got, the support of the financial manager. The dialogue between the IF-Manager and the financial manager sounded, for example, like this:

- The IF-Manager:* You have to believe in certain concepts that you believe will save money.
- Manager of finance:* You won't have problems making me see the light with that line of thought.
- The IF-Manager:* I expect you to carry on seeing the light, that's the point right here, right now!

The strategic planning group constantly highlighted the team's achievements, trying to get more people to endorse the idea of making the team permanent. Even though protecting it during budget discussions was impossible, the planning group did not give up. The planning group looked for additional support, marketing and presenting the operative team externally. During one presentation, which the members of the team delivered at a conference in the City of Malmö (November 2009), the operation was praised by representatives of other districts, and by the city centrally. While the team's status rose as a result, it might still not be able to continue its operations due to insufficient funding. At the very last moment (December 2009), the district's top management made the decision to allow the team to continue its work. The district had been allotted further resources centrally by the City of Malmö, because the Swedish government had chosen to provide the municipalities with extra funding for the coming year. As a result, the manager of education was able to finance his part. Starting in 2010, the team would be a permanent operation.

## **Discussion and conclusions**

In the previous section, an empirical description is presented of selling, implementing and protecting the innovative project. In this section, the frame of references it used to analyze and draw conclusions about the process of internal entrepreneurship and challenges of integrating the project into the regular organization.

The internal entrepreneurship team included employees from the management group, the supervisors, the operative team workers and the strategic planning group. They created a sense of co-ownership between two organizations, i.e. social services and education. An important explanation for the collective ownership lies in the management group's approach to allowing employees of both social services and education to be represented in the entrepreneurship team. Other important factors for co-ownership included extensive preparation of the management group, dedicated supervisors, operative team employees who were specifically recruited for the task, and arrangement of external funding and marketing of the operative team. All these have to be organized in order to work towards the vision. Realizing the new organizational solution was a common effort involving several employees by a group process (Burns, 2005; Mack et al., 2008). However, the IF-Manager participated in both the management group and the strategic planning group and was also one of the heads of the supervisors. The IF-Manager took thus an overall responsibility and acted as the head of the project (Morris et al., 1994; Pinchot and Pellman, 1999), or according to Pinchot (1985) the "managing director" of a non-existent operation. An initial conclusion is that the collective ownership and the head of the project were of such vital importance to move from high to low horizontal, organizational, uncertainty (Jensen et al., 2007).

The IF-Manager was able to find funding in her own budget in order to finance her part of the operative team; however, the manager of education was

unable allocate funding from the budget. In addition, the internal entrepreneurship team were unable demonstrate that they had already put significant time and resources in the work of planning and realizing the team. While these were not hidden costs, they were not in the financial accounts either. The entrepreneurship team was thus unable to use them to show everything that had already been invested in the project, costs which had yielded exceptionally good results during a relative short time, in order to argue for a continuation. The fact that the entrepreneurship team was able to show very good results which were consistent with the goals and perceptions of the district was thus of no significance. Although the operative team had made progress with its target group in a cost-effective way, it did not influence top management's allocation of resources prior to 2010. It was impossible, regardless of how the entrepreneurship team pursued the issue, and it did not matter that the strategic planning group actively act as protectors. A second conclusion is that it was not enough to produce exceptionally good results because internal entrepreneurship, as Hisrich (1990) emphasizes, is not the primary activity of an organization.

There was no request from top management for a team concept. The management group implemented the idea from the beginning, presenting a well-developed idea for an operative team to top management with the aim of getting funding. In this way, the management group worked, as regards what Brunåker & Kurvinen (2006) and Mühlenbock (2008) call proactively. The response from top management was positive to implement the team, but no financing was possible. Instead, the project was externally funded in the form of a lump sum from the Agency for Educational Development. This lump sum was recorded as a specially earmarked reserve, which was positioned alongside the system applicable to regular operations. As the operative team was financed with external funding, top management never gave the project the budgetary scope extended to all other operations. As a result, the innovative project was not an operation within the formal management systems, and information about the project was neither incorporated into the budget process nor into the follow-up reports. There was no stated procedure as regards the management group, the supervisors, or the operative team having to inform top management regularly about the project.

The report, written in the autumn of 2009, was an ad hoc product and was outside the follow-up reporting of operational results. The team's work was thus considerably less visible than regular operations. Top management realized, although it had responded positively to the idea from the beginning, that it did not have sufficient information to make a decision. The information about the team provided to top management, for the 2010 budget, was too sporadic to enable top management to decide on the project's continued operation and resourcing. Burgelman (1985) underscores the importance of administrative linkages to management in order to make the innovative project visible. The third conclusion regarding the process is that the absence of administrative linkages established for reporting information about the project to top management contributed strongly that the project's vertical, hierarchical, uncertainty (Jensen et al., 2007) moved from low to high.

A main finding of this study is that among the change agents in the internal entrepreneurship team, there was a head of the project, or to put it another way an informal project manager, that had an important role in realizing the project from start to finish. Another finding is that it is not enough to manage the challenge of creating low horizontal uncertainty to transfer the project from a temporary to a permanent operation, dealing with the challenge of maintaining or creating a low level of vertical uncertainty is also required. The study confirms current research that internal entrepreneurship and project management in the public sector are dependent on both horizontal organizational support and vertical support from top management. Additionally, the findings also reveal a project paradox; while external funding helped to launch the innovative project, that same funding simultaneously made the project invisible to the top management. Finally, on an overall level, the results of the study show that the theoretical reference from the two fields internal entrepreneurship and project management can be combined to increase awareness of entrepreneurship within the organization in the public sector in Swedish and Scandinavian context.

### Practical implications

This study verifies that top management has a significant impact on whether or not promising projects can endure. The management system is an important source enabling top management to have continuous information and control over operations. A probably general explanation as to why innovative projects originated by employees and aimed at making improvements to young people's mental health are seldom integrated into a regular part of the organization might be the lack of information to top management regarding the project, and its progress and results. The problem is not, however, that the impact of the management system on internal entrepreneurship is too great. Internal entrepreneurship is, rather, disregarded or neglected when positioned outside of regular operations.

In order for successful ideas to endure, management systems must also support internal entrepreneurship processes. An innovative project has to be given scope in the budgetary and follow-up procedures etcetera, just like all other operations, and not dealt with like an irregular phenomenon. Otherwise, today's management systems may be counterproductive since employees (just like the "empowered" IF-Manager) may refrain from thinking innovatively and realizing new and unproven ideas. Not supporting and utilizing the employees' new and unproven ideas leads to unnecessary costs and unforthcoming beneficial effects, i.e. value for money, in the public sector.

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