

Chapter 3

Entrepreneurship Factor in Institutional Development: A Case Study of Ghana Institute of Management and Public Administration (GIMPA)

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ABSTRACT

In 2000, The Ghana Institute of Management and Public Administration (GIMPA) was a government subvented institution on the verge of collapse and threatened by privatization. In less than a decade, GIMPA has achieved over a 2000% increase in turnover and become the second university in Africa to meet the conditions for membership in the Association of African Business Schools. Now ranked among the top business schools in Sub-Saharan Africa, it is the only public university in Ghana that is self-financed. It has built the largest business school faculty in the country and become the first institution in Ghana to run degree top-up programmes for HND holders. What made GIMPA so unique, especially in this area of institutional development? This chapter tries to unearth the success story from a researcher's point of view and unveil the importance of entrepreneurship in institutional transformation.

INTRODUCTION

Entrepreneurship is one of the most important parts and a key driver of our economies (Shane 2012, Shane & Venkataraman, 2000). Again, Bruton, Ahlstrom & Obloj (2008) assert that emerging economies are characterized by an

increasing market orientation and an expanding economic foundation and entrepreneurship plays a key role in this economic development. Wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals, many of whom go on to create big businesses. People exposed to entrepreneurship

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frequently express that they have more opportunity to exercise creative freedoms, higher self-esteem, and an overall greater sense of control over their own lives. As a result, many experienced business people, political leaders, economists, and educators believe that fostering a robust entrepreneurial culture will maximize individual and collective economic and social success on a local, national, and global scale. Entrepreneurial spirit is characterized by innovation and risk-taking, and is an essential part of a nation's ability to succeed in an ever changing and increasingly competitive global marketplace.

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Educational institutions are no exception. The tertiary educational institutions in Ghana are divided into public and private institutes. The public institutes are supported financially by the government; as a result the students enjoy subsidized fees. The private institutes are supported by the parent organizations which are mostly churches, and hence depend largely on the fee from the students to meet their financial needs. Our case study organization, GIMPA, is a hallmark university with a difference. It was originally established as a public service training college in 1961, but in the year 2000 an entrepreneurial leader transformed it into a University. It has since gained considerable mileage and today it stands out as the only self-financing public university in Ghana. This paper explains the various stages of transformation that have taken place in GIMPA. GIMPA still remains the only public tertiary institute with financial and operational autonomy. The Institute effectively has stopped receiving government subvention since 2002. What role did entrepreneurship play?

According to BusinessDictionary.com (2014), entrepreneurship is the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit.

The Bainbridge Graduate Institute website (2013) indicates that entrepreneurship is the willingness to take risks and develop, organize and manage a business venture in a competitive global marketplace that is constantly evolving. According to Key (2013), successful entrepreneurs share five key qualities: an unwavering passion; open-mindedness; desire to become expert; a forward looking approach; and a constant flow of ideas. Entrepreneurs are pioneers, innovators, leaders and inventors. They are at the forefront of technological and social movements—in their fields, in their forward thinking, in their desire to push the envelope. They are dreamers and most importantly—doers.

Eisenmann (2013) defines entrepreneurship as the pursuit of opportunity beyond resources controlled. He indicates that:

- **Pursuit:** implies a singular, relentless focus that entrepreneurs show to attract resources.
- **Opportunity:** implies an offering that is novel in one or more of four ways: 1) pioneering a truly innovative product; 2) devising a new business model; 3) creating a better or cheaper version of an existing product; or 4) targeting an existing product to new sets of customers. These opportunity types are not mutually exclusive. For example, a new venture might employ a new business model for an innovative product.
- **Beyond Resources Controlled:** implies resource constraints. At a new venture's outset, its founders control only their own human, social, and financial capital. Many entrepreneurs keep expenditures to a bare minimum while investing only their own time and, as necessary, their personal funds. In some cases, this is adequate to bring a new venture to the point where it becomes self-sustaining from internally generated cash flow. With most high-po-

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