

Foreword

The public sector, with its wide range of organizations, plays a key role in our society. Whether or not these public sector organizations should foster entrepreneurial management in order to fulfill their legal mandate is an ongoing debate among scholars and practitioners. Advocates argue that entrepreneurial managers can create public value by analyzing public needs and by implementing creative ideas. On the other hand, opponents warn of a lack of democratic legitimization, the neglect of core responsibilities, and the danger of promoting self-interested rule-breaking managers. This debate is often characterized by dogmatic, normative arguments. Fabian Diefenbach approaches the debate on entrepreneurship in the public sector from a different, evidence-based angle.

This work allows the reader to develop an understanding of entrepreneurship within organizations, what drives such entrepreneurship, and which consequences it may have. The basis is a thorough literature review that highlights shared and distinct elements of private and public sector entrepreneurship within organizations. In this review, Fabian Diefenbach pays special attention to middle management, doing justice to its crucial role in the entrepreneurship process. The research model he develops based on the review represents the essence of some 30 years of research in private and public sector entrepreneurship. Particularly notable is the integration of the new field of public value management. The study's empirical part is based on a dedicated data set. The organization studied here, the German *Bundesagentur für Arbeit* (Federal Labor Agency), appears particularly suitable for this research: It is Europe's largest bureaucracy and has set entrepreneurship as one reform objective. In the data analyses, sophisticated techniques – particularly structural equation modeling – make this work unique in its field and a potential reference for other scholars.

The present dissertation not only closes a significant gap in the academic literature; more importantly, it also succeeds in highlighting how its results can be applied. It may thereby help embed entrepreneurship in public sector management and enhance public value creation – a matter with relevance beyond the public sector.

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