TOWARD AN ENTREPRENEURIAL FRAMEWORK FOR GOVERNMENT REGULATORS AS FRANCHISORS OF RESIDENTIAL ELDER CARE ORGANIZATIONS (INTERACTIVE PAPER)

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TOWARD AN ENTREPRENEURIAL FRAMEWORK FOR GOVERNMENT REGULATORS AS FRANCHISORS OF RESIDENTIAL ELDER CARE ORGANIZATIONS

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Principal Topic

Many countries face a growing crisis due to expanding aging populations which are creating major resourcing problems. This study examines the influence of government regulated “franchising” of residential care provider licenses on the governance processes, entrepreneurial orientation, and innovation performance of Residential Elderly Care Organisations (RECO). We examine the relevance of two theories (normalization process theory, NPT of complex interventions and agency theory) to better understand the social and economic regulation of government regulated franchises. NPT identifies factors that promote and inhibit the routine incorporation of complex interventions into everyday practice such as accreditation, quality audits, financial audits, and provider licenses. It also explains how these interventions work, looking not only at early implementation, but beyond this to where an intervention becomes so embedded into routine practice that it is normalized or “disappears” from view. On the other hand, agency theory is concerned with exchanges in which one party (the principal) delegates responsibility for a specific set of actions to another party (the agent).

Method

A qualitative approach is used to investigate the potential entrepreneurial framework within the complex interactions of social and economic regulations of government (the “franchisor”) on the opportunity orientation and performance of the providing RECO “franchisee”. Using a recently published independent report for the Australian Government, “Caring for Older Australians” by the Australian Productivity Commission, and using NVivo, we identify four main nodes within an entrepreneurial framework associated with complex interactions - policy objectives (or sense-making), care delivery (or engagement), funding (resources made available to enable the intervention to happen), and performance auditing (formal and informal appraisal of the benefits and costs of the intervention) - for regulation of the Elder Care industry.

Results and Implications

The findings from (1) the content analysis of the complex interventions between government franchisors and RECO franchisee providers together with (2) semi-structured interviews with RECO leaders (Board Chairperson, CEO, and Director of Nursing/Care) indicate that NPT, in association with agency theory, can act as tools to assess the potential of an entrepreneurial framework in designing a complex intervention and its evaluation within the system. The combined NPT/agency theory duo results in the emergence of a composite theory that offers entrepreneurs a consistent framework that can be used to describe, assess, and enhance implementation potential for innovative social franchising.

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