

## The Major Local Entrepreneurial Development Approaches of Local Government Units in the Contemporary Setting: A Phenomenology

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**ABSTRACT:** The purpose of this phenomenological study is to present the different local entrepreneurial development approaches of local government units. The results of the study revealed major commonalities in local entrepreneurial development approaches that the local government units had been adapting. Major factors affecting the implementation of these approaches were revenue allotments, local economy, human development and institutional capabilities. Style of leadership and management approach by those manning the reign of authority provided a lot of influence as to how developmental undertakings are implemented. Notable difference in approaches to local entrepreneurial development could be attributed to the personal biases of the local chief executives due to their profession, passion and life endeavors. What is notable in this study is that the local chief executive's management capability will be crucial to the development performance of every local economy.

**KEYWORDS:** local entrepreneurial development approaches, human development, institutional capabilities.

### 1. INTRODUCTION

Entrepreneurship almost always involves pushing against the status quo to capture opportunities and create value. The idea of public entrepreneurship may sound like it belongs on a list of oxymoron right alongside government intelligence. But it doesn't. Public entrepreneurs around the world are improving our lives, inventing entirely new ways to serve the public. There is, however, a big problem with public entrepreneurs: there just aren't enough of them. Without more public entrepreneurship, it's hard to imagine meeting our public challenges or making the most of private innovation. Public entrepreneurship is not simply innovation in the public sector (though it makes use of innovation), and it's not just policy reform (though it can help drive reform). Public entrepreneurs build something on nothing with resources — be they financial capital or human talent or new rules — they didn't command (Weiss, 2021).

The landmark legislation, Republic Act 7160, known as the Local Government Code of the Philippines enabled the local government units to assume responsibilities in improving the lives of their constituents by promoting growth and development in their respective communities. Aside from governmental function, the Code enhances the role of local governments, with the provisions on corporate function, to manage their respective local economy (Tapales et al., 1998).

The innovation in government paradigm presented has changed the landscape of governance in many parts of the world. The concept has somehow transformed the role of government from the traditional service provider to an innovator by steering local economy as entrepreneur to

provide the needs of growing clientele. It must create an environment conducive to business development. Model bureaucratic organizations that work well in the past are now obsolete and inadequate to cope with the changing environment, competition and dwindling resources. This put fiscal pressure on local chief executives to innovate the traditional way of doing business in order to meet the challenges of an entrepreneurial governance to be effective and efficient economic development managers (Osborne & Gaebler, 1992).

For more than two decades, local chief executives have assumed responsibility for economic development. While almost all regions have experienced high unemployment and declining real wages, national government action to deal with these economic problems has been constrained by budget deficits and a conservative political philosophy, and local governments have had to act. Almost every province, city and municipality has expanded the size and scope of economic development programs. More money is being spent by LGUs by providing capital and training to capacitate small business and entrepreneurs. To most politicians, economic development means more jobs. More jobs are expected to bring many benefits: lower unemployment, higher wages, high property values, increased profits for local businesses, more tax revenues, and reelection for the politician who can take credit for these boons. The lack of financial resources to support the provision of basic services and to fund local development plans is a critical concern at the local level if improvements in key human development outcomes are to be attained. On the one hand, revenue generation and resource

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mobilization at the local level is hampered by complex tax structures, poor systems and procedures, and weak local capabilities. On the other hand, planning and budgeting at the local level is bedeviled by the short political tenure of local officials, and the lack of a clear mandate supporting the linkage between the Local Development Plan, the Local Development Investment Program, and the Annual Investment Program. Consequently, there is a need to help LGUs develop strategies and systems that will enable them to increase their financial resources and to allocate their resources in a manner that is consistent with their goals and objectives as articulated their medium-term development plans (Manasan & Villanueva, 2006).

Undeniably, efficient revenue generation/ mobilization and allocation at the local level is stymied by poor incentives arising from structural problems in the way central-local relations have been defined such as mismatch in revenue and expenditure assignment across levels of government and short term of office of local elected officials. Nonetheless, experience almost everywhere in the world suggests that even when incentives facing local governments are inappropriate there is some scope for local initiative and for some LGUs to do better than others even under the most perverse situations (Bird & Smart 2001).

Recently, the performance of the local chief executives is gauged on how they manage to increase their local income source in order to finance the necessary programs, projects and activities. Since the share from internal revenue allotment cannot suffice to provide the increasing needs of the populace. It is on this aspect that the entrepreneurial capability of the local managers or the public entrepreneur will be put to test. And what we will be seeing now are local government units being run as business-like organizations for revenue generation purposes. Of which this study will present prominent entrepreneurial development approaches of the local government units in Davao del Sur and Davao Occidental.

The RPS (2008) of the Bureau of Local Government Development in the Philippines provided the two components of the process of planning at the local government units. The first which is the political component, is the policy-making body which defines the content and direction of local development. The other component supplies the technical content of the plan. This study will provide inputs to these components in the crafting of strategic development plans as it periodically assess the significance of the sectoral plans of the local government's respective Comprehensive Development Plan. This study is driven by three research concerns: the present local entrepreneurial development approaches of local government units; how concerned government officials implement these approaches; and the options available for an entrepreneur local government to enhance its revenue generation capability.

This study is based on the theory articulated by Osborne and Gaebler (1992) in their book, “Reinventing Government”. It applies the business customer service model to government. Citizens are seen as customers and the administrative role is streamlined by converting policy alternatives into market choices. This approach focuses on results and promotes competition inside and outside government. The innovation in government paradigm presented by Osborne and Gaebler has changed the landscape of governance in many parts of the world. The concept has somehow transformed the role of government from the traditional service provider to an innovator by steering local economy as entrepreneur to provide the needs of growing clientele. It must create an environment conducive to business development. Following the emergence of the New Public Management model in the late 20th Century. Warner and Hefetz (2008) argues that governments are now seeking a more balanced approach to public service provision by incorporating civic engagement as well as private market dynamics.

### 2. METHODOLOGY AND DATA COLLECTION

Qualitative phenomenological approach was utilized in this study because the study was built upon the data contained within the description of the lived experiences of the local government officials who were the participants of this study. Data were gathered through audio-taped in-depth interviews and focused group discussion. Bricki and Green (2007) stipulated that the objective of the phenomenological approach is to be able to extract common themes from the experiences of the subjects, convert these experiences to a description of the universal essence of the phenomena and grasp the very nature of the thing. At the onset, six informants for the In- depth Interview and six for the Focused Group Discussion, or a total of 12 participants, chosen through purposive sampling, were involved in this study which is well within the range of five to 25 participants as prescribed by Creswell (2013). Informant-participants were: 1 Provincial Governor, 1 Former City Mayor, 1 Municipal Mayor, 8 former and current local finance members and 2 local development council members in Davao del Sur and Davao Occidental provinces.

The method of analyzing data in this study was patterned after the method used in the work of Gempes (2008). This involves summarizing the mass of data collected and presenting the results in a way that communicates the most important features. Data was analyzed using a method which included data reduction, data display, conclusion drawing and verification.

To ensure the credibility of the study, rigor was properly observed during the data collection especially during the interviews, wherein everything was based on factual data, obtained directly from the participants. It is also made sure

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that no relevant data was excluded nor irrelevant data included. The use of audio-taped interviews, note-taking and journals are avenues of ensuring conformability. The bracketing approach was adopted as part of the methodology to suspend personal bias. The use of triangulation and peer consensus was made to ensure that the findings of the study are free of biases and prejudice. To address transferability, a detailed description of the research substance and the assumptions central to the research was provided to ensure transparency. Rich and thick descriptions were in place, so that the person who wishes to "transfer" the results to a different setting can determine how congruent the transfer is. Moreover, dependability was enhanced by such qualitative strategies as audit trails, rich documentation, and triangulation and also by traditional methods such as inter-coder or inter-observer agreement and code-recode consistency as part and parcels of methodology package. The protocol of this undertaking was submitted to the ethics committee of the University to ensure that research ethics are strictly observed in the conduct of the study.

### 3. RESULTS

#### Common Entrepreneurial Development Approaches of the Local Government Units

In answer to the first research concern of this study which is the common entrepreneurial development approaches of the local government units, eight essential themes emerged as indicated in Table 1. The core ideas are based on typology or general classification (e.g; tax, fees, charges), significance or importance (e.g; major or minor revenue source) and representation (e.g; orderliness, state or condition). The themes were:

##### Local Tax, Fees and Charges

- Summarized responses from the Provincial LGU Official and Officers (Governor, Treasurer, Planning Officer, PENRO).

*“The revenue from local taxes, fees and charges are derived mainly from real property and business tax collection and it’s a major source of income for the province. Tax collection performance is crucial in attaining the targeted financing requirement for the implementation of our programs, projects and activities.”*

- Summarized responses from the City LGU Official and Officers (Mayor, Treasurer, Planning officer, Economic Enterprise Manager).

*“ Real Property and business tax, collection of fees and charges are major revenue source of the City. Every now and then, in coordination with the Legislative Department, we implement tax collection initiatives so that we can collect more to finance some programs, projects and activities.”*

- Summarized responses from the Municipal Official, Officers and Local Development Council Member (Mayor, Treasurer, Planning Officer, NGO Representative)

*“ Aside from Internal Revenue Allotment share we are largely dependent on Real Property Tax, Fees and Charges collected to finance our planned investments. Although our*

**Table 1.** Essential Themes and Core Ideas on the Present Local Entrepreneurial Development Approaches of Local Government Units

Essential Themes	Core Ideas
<b>Local Tax, Fees and Charges</b>	<ul style="list-style-type: none"> <li>Major local revenue source</li> <li>Real property tax collection</li> <li>Business tax collection</li> <li>Showcase of local tax collection performance</li> </ul>
<b>Public Market Operations</b>	<ul style="list-style-type: none"> <li>Main local revenue source</li> <li>Market space rentals, arkabala</li> <li>The heart of local economy</li> <li>Reflection of business vibrancy</li> <li>Bagsakan of local products</li> <li>Common place of small vendors</li> <li>Reflection of orderliness</li> </ul>
<b>Public Transport Terminal Operations</b>	<ul style="list-style-type: none"> <li>Another major revenue source</li> <li>Terminal fees</li> <li>Gateway of transient tourists</li> <li>Another market zone</li> <li>Reflection of orderliness</li> </ul>
<b>Public Cemetery Operations</b>	<ul style="list-style-type: none"> <li>Minimal source of revenue</li> <li>Real estate income, burial fees</li> <li>Combination of economic enterprise</li> </ul>

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	<ul style="list-style-type: none"> <li>and social amelioration</li> <li>• Could be privately managed</li> <li>• Reflection of orderliness</li> </ul>
<b>Slaughterhouse Operations</b>	<ul style="list-style-type: none"> <li>• A good source of revenue if properly manage</li> <li>• Fees and charges</li> <li>• Could be outsource or privately managed</li> <li>• Reflection of orderliness and meat sanitation</li> </ul>
<b>Commercial Space Leasing</b>	<ul style="list-style-type: none"> <li>• Another major revenue source</li> <li>• Rental fees</li> <li>• Provide balance in terms of stabilizing rental rate</li> <li>• Less maintenance expense</li> </ul>
<b>Quarry Operations</b>	<ul style="list-style-type: none"> <li>• A major source of revenue</li> <li>• Fees and charges</li> <li>• Regulatory revenue</li> </ul>
<b>Other Innovative Ideas</b>	<ul style="list-style-type: none"> <li>• Commercialize garbage collection and disposal</li> <li>• Asphalt plant operations</li> <li>• Establishment of commercial districts</li> <li>• Fish landing operations</li> </ul>

*collection performance was greatly affected by the advent of pandemic Covid - 19 because of the limited capacity of the property owners to pay. The National Government had even encouraged local government units to pass measures providing postponement of payment of tax liabilities.”*

**Public Market Operation**

- Summarized responses from the City Official and Officers (Mayor, Treasurer, Planning Officer, Economic Enterprise Manager)  
*“ The City Public Market Operation is our main local revenue source. Aside from market space rentals, there are non-formal spaces for small*

*market vendors paying daily “arkabala”. Also, we consider public market as a mirror of the orderliness of our City and a reflection of business vibrancy.”*

- Summarized responses from the Municipal Official, Officers and Local Development Council Member (Mayor, Treasurer, Planning Officer, NGO Representative)  
*“ It’s (Public Market Operation) our major source of local revenue. For a small town like ours, our public market is the “bagsakan” of locally-produced goods, the heart of local economy and our main community business center.”*
- Note : Provincial LGU has no public market operation

**Public Transport Terminal Operation**

- Summarized responses from the City Official and Officers (Mayor, Treasurer, Planning Officer, Economic Enterprise Manager)  
*“ Lucky enough we are in a strategic position where passengers coming from all angles (north, south, west, east) passes through our city. It’s the reason our terminal fees collection is a major source of local revenue. Collateral income can be derived from our transport terminals being the gateway of transient tourists which are potential clients of our local businesses. Just like public market, our transport terminals are reflection of the city’s orderliness.”*
- Summarized responses from the Municipal Official, Officers and Local Development Council Member (Mayor, Treasurer, Planning Officer, NGO Representative)  
*“ Toyoon ni among munisipyo mao nga ang amo transport terminal operations are just a minor revenue source. However, what is significant is that our jeepney, tricycle, motorcycle terminals had become small market districts.”*
- Note : Provincial LGU has no public transport terminal operation

**Public Cemetery Operation**

- Summarized responses from the City Official and Officers (Mayor, Treasurer, Planning Officer, Economic Enterprise Manager)  
*“ Our Public Cemetery Operation is just a meager or minimal source of revenue. In fact we are planning to privatize our city cemetery and give it to private developers who are experts on this filed. We believed that we can generate more income if we privatize it.”*
- Summarized responses from the Municipal Official, Officers and Local Development Council Member



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(Mayor, Treasurer, Planning Officer, NGO Representative)

*“ We only derived minimal income from our public cemetery operations. The reason is that this local function is a combination of economic enterprise and social amelioration. We also see to it that this facility of ours is properly manage as this will be a reflection of our town’s orderliness.”*

- Note : Provincial LGU has no public cemetery operation

### Slaughterhouse Operation

- Summarized responses from the City Official and Officers (Mayor, Treasurer, Planning Officer, Economic Enterprise Manager)

*“ If properly managed, our slaughterhouse operation could be a major source of revenue. We must intensify monitoring and apprehension of those illegal slaughtering activities outside of our slaughterhouse. However we deemed that this local enterprise endeavor will be privatized to maximized revenue generation, and we are planning to that as we continue to gather information on how to do it. Meantime we see it that this facility is properly managed as this is a reflection of our city’s orderliness and proper meat sanitation.”*

- Note : Provincial and Municipal LGU respondents has no slaughterhouse operation

### Commercial Space Leasing

- Summarized responses from the City Official and Officers (Mayor, Treasurer, Planning Officer, Economic Enterprise Manager)

*“ We have a commercial building leased by a prominent mall here in Davao region and some other commercial spaces being rented for various businesses. And we derived major revenue from this economic enterprise. One advantage of leasing business is that we incurred less maintenance expense and our legislated space rental fees per square meter could provide a balance in terms of stabilizing rental rates in our locality.”*

- Note : Provincial LGU respondent has no slaughterhouse operation while the Municipal LGU respondent, aside from public market stalls, has no other commercial space for leasing.

### Quarry Operations

- Summarized responses from the Provincial Official and Officers (Governor, Treasurer, Planning Officer, Provincial Environment and Natural Resources Officer)

*“ The quarry operation is also a major source of revenue for the province. Since this activity will have*

*an impact to our environment, we also see it that corresponding mitigating measures will be implemented to cushion such impact. And we consider this local enterprise as a regulatory revenue generating measure.”*

- The City and Municipal LGU respondents has no separate quarry operations but they derived shares of revenue out from the provincial quarry operations.

### Other Innovative Ideas

The mentioned respondents also mentioned some innovative ideas that their local government unit could undertake in the near future; to wit:

- *Commercialize garbage collection and disposal*
- *Asphalt plant operations*
- *Establishment of commercial districts*
- *Fish landing operations*

### How Concerned Government Officials Implement These Approaches

Six essential themes emerged for this topic as indicated in Table 2. Core ideas are based on established institutional approaches, through the different department of the LGU.

#### Executive Department

*“ To operationalize our local enterprise endeavor, we establish an office to manage our economic enterprise functions. The operating departments, primarily will set an annual revenue generation targets which will be the basis for the setting of the LGU’s annual investment plan. Revenue collection from local business enterprise operation is primarily the function of the Treasurer’s Office.”*

#### Legislative Department

*“ One aspect of local enterprise operationalization is the formulation policies thru enactment of ordinances and resolutions. The support ordinances and resolutions shall have provisions setting the required tax rates, fees and charges. Revenue measures should undergo public consultations because of its regulatory and control nature.”*

#### Human Resource

*“ We always aspire to hire the best qualified personnel to man our local business enterprise office notwithstanding the minimum qualifications set by the Civil Service Commission. We also implement a merit and demerit system to encourage concerned personnel and departments to perform significantly. A human resource development program to build and improve the capabilities of our personnel has also been implemented.”*

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**Table 2.** How Government Officials/Officers Implement the Different Approaches

Essential Themes	Core Ideas
<i>Through the:</i>	
Executive Department	<ul style="list-style-type: none"> <li>Established economic enterprise office</li> <li>Treasurer’s office function</li> <li>Operating department’s function</li> </ul>
Legislative Department	<ul style="list-style-type: none"> <li>Policy formulation</li> <li>Setting of rates and fees</li> <li>Formulate regulations and control</li> </ul>
Human Resource	<ul style="list-style-type: none"> <li>Appropriate qualifications, Merits and Demerits system</li> <li>Capability building</li> </ul>
Functional Management	<ul style="list-style-type: none"> <li>Strategic planning</li> <li>Management priority and direction</li> <li>Organizational demand capacity</li> <li>Established control system</li> </ul>
Agenda	<ul style="list-style-type: none"> <li>Executive-Legislative agenda</li> <li>Local development agenda</li> <li>Rationalized planning system that provides a coordinated national, regional and local development agenda</li> </ul>

**Functional Management**

*“ We always adhere to the basics of functional management. At the onset of the local officials’ term we craft our executive – legislative agenda to set our priorities and direction which will be the basis for the conduct of strategic planning. A long list of programs, projects and activities will be derived then from our organization’s vision, goals and objectives. Expected revenue and organizational demand capacity will always be a major factor in the preparation of our annual investment plan taking into consideration also the established control system.”*

**Agenda**

*“ The 3-year term of the newly elected local official will always start, as a mandate, with the crafting of our*

*Executive – Legislative Agenda (ELA). This will set the tone for the preparation local development plan which include sectoral plans on Social, Economic, Infrastructure, Environment and Administration. In setting our local development agenda, we adhere to the established rationalized planning system of the government wherein our plans should be anchored on the coordinated national, regional plans and priorities.”*

**Available Options for an Entrepreneur Local Government to Enhance Its Revenue - Generating Capability**

For the 3<sup>rd</sup> and final topic, five essential themes emerged as indicated Table 3.

**Policy Formulation**

*“ We have a periodic assessment of our local revenue code to find out how we can source out additional revenue. Another avenue where we could increase our local revenue source is to revisit our zoning ordinance. As our community progresses there is an increased demand to allocate areas for residential, commercial and industrial zones. These land classifications have bigger premium rates than the agricultural zone classification which is the usual zone being subjected to land conversion. As such, an increase in real property tax collection can be anticipated.”*

**Table 3.** Available Options for an Entrepreneur Local Government to Enhance Its Revenue - Generating Capability

Essential Themes	Core Ideas
<b>Policy Formulation</b>	<ul style="list-style-type: none"> <li>Revisiting the Local Revenue Code</li> <li>Revisiting the Zoning Ordinance and expanding zones for commercial and industrial usage</li> </ul>
<b>Development Agenda</b>	<ul style="list-style-type: none"> <li>Increase contribution of local revenue source to the total revenue pie of the LGU</li> <li>Amendment to the Revenue Code</li> <li>Amendment to the Zoning Ordinance</li> </ul>
<b>Development Goals</b>	<ul style="list-style-type: none"> <li>Setting of economic goals and objectives</li> <li>Strategic economic plan towards increasing local revenue source</li> </ul>

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	<ul style="list-style-type: none"> <li>• Institute policies to enhance local revenue generation</li> </ul>
<b>Strategic Advantage</b>	<ul style="list-style-type: none"> <li>• Finding market niche in terms of location, products, ease of doing business mechanism and support facilities</li> </ul>
<b>External Factors</b>	<ul style="list-style-type: none"> <li>• Increase investment capital due to increase in share of internal revenue allotment from National Government</li> <li>• Unsolicited privately initiated investments that could provide opportunities for increase local revenue</li> </ul>

*all national taxes collected by the government; e.g customs duties. As our community continue to attain progress we will be expecting unsolicited big ticket investments that could provide opportunities for an increase local revenue.”*

**4. DISCUSSION**

**Common Entrepreneurial Development Approaches of the Local Government**

The results based on the thematic analysis revealed eight essential themes. These are *Local Tax, Fees and Charges, Public Market Operations, Public Transport Terminal Operations, Public Cemetery Operations, Slaughterhouse Operations, Commercial Space Leasing, Quarry Operations and Other Innovative Ideas.*

Local Tax, Fees and Charges emerged as the first essential theme. The Local Chief Executives and the Department Heads are one in saying that collections derived from Real Property and Business Tax, Fees and Charges are the major local revenue sources of the Province, City and Municipality. The participants indicated that the tax collection performance of the operating departments is crucial in attaining the targeted financing requirement for the implementation of the local government’s programs, projects and activities. As shown in the National Tax Research Center (2016) local government units (LGUs) derive their revenues from local and external sources. The City Public Market Operation is another main local revenue source as emphasized by the municipal and city local officials and department heads. A public market is also being projected as a mirror of the locality’s orderliness and a reflection of business vibrancy. Only Cities and Municipalities have public market operations. One hundred percent of cities and 93% of the municipalities in the country are operating their own public market making it as the most popular local economic enterprise (Manasan & Castel, 2010).

The LGU’s strategic location is a major factor for a public transport terminal operation to be a viable business enterprise. Collateral income can be derived from transport terminals being the gateway of transient tourists which are potential clients of local businesses. The major locational factor of a transport terminal is obviously to serve a large concentration of economic activities, representing a terminal’s market area (Rodrigue, 2020). And just like public market, transport terminals are reflection of the locality’s orderliness. Unlike cities and municipalities, provincial local government units have no public transport operations. On the other hand, the participants are one in saying that their public cemetery operation is just a meager or minimal source of revenue. In fact, one local government is planning to privatize its cemetery and give it to private developers who are experts on this filed.

Slaughterhouse operation, if properly managed, could be a major source of revenue but participants claimed

**Development Agenda**

*“ A long shot aspiration of every LGU is to have a 50%-50% revenue pie share of internal revenue allotment from national government and local revenue source. Such that increasing local revenue source in the portion of total revenue pie is always our main agenda. Projected increase will trigger the amendment of our revenue and zoning ordinances.”*

**Development Goals**

*“ We have a comprehensive development plan which is a mandated plan for every LGU to prepare. Provided therein is the economic sector development plan that sets forth our medium - term economic goals and objectives. The specifics on how to realize the plan is provided in the strategic economic plan which is part of the comprehensive development plan. Another sectoral component is the administration plan which will institute policies to enhance local revenue generation.”*

**Strategic Advantage**

*“ One way of promoting our locality to entice investors is to provide a suitable business environment. Aside from promoting our local products we have legislated and institutionalized policies on ease of doing business.”*

**External Factors**

*“ We will be expecting a significant increase in our internal revenue allotment because of the implementation of the Mandanas case decision. The Supreme Court ruling provides that the local government units are entitled not just on the share collected by the Bureau of Internal Revenue, which is presently being the case, but also entitled to a just share of*

that this local enterprise endeavor should be privatized to maximize revenue generation. This local economic enterprise is second to public market operation in terms of popularity where 95% of the cities and 71% of the municipalities are operating a slaughterhouse facility (Manasan & Castel, 2010). An LGU has a commercial building leased by a prominent mall operator in Davao region and had some other commercial spaces being rented for various businesses. One advantage of leasing business is that the concerned local government has less maintenance expense as maintenance and operating expense is the responsibility of the tenant (Portman, 2020).

Quarry operation is a major source of revenue for the province. Since this activity will have an impact to environment, the concerned LGU will see to it that corresponding mitigating measures are implemented to cushion such hazardous impact. The City and Municipal LGUs have no separate quarry operations but they derived shares of revenue from the provincial quarry operations. Barangays, Municipalities and component Cities, Provinces will have a 40%, 30%, 30% share of sand and gravel tax respectively (LGU Taxation and Revenue Practices, 2015). The participants also mentioned some innovative ideas that their local government unit could undertake in the near future and these are: commercial garbage collection and disposal, asphalt plant operations, establishment/expansion of commercial districts, fish landing operations. Many local government units have already implemented these as their local enterprises which can be considered as sustaining innovations since they existed already in the current market (Kylliainen, 2018).

### **How Do Concerned Government Officials Implement These Approaches?**

The results based on the thematic analysis revealed five essential themes. These are Executive Department, Legislative Department, Human Resource, Functional Management and Agenda. Revenue collection from local business enterprise operation is primarily the function of the Treasurer's Office as part of the Executive Department being the mandated department with the coordination and cooperation of other operating departments. Local Government Units like any organizations are cooperative social systems where members join for achievement of goals and objectives which may not be possible individually and all these working together help achieve the organizational goals and objectives in totality as well (Thomson, 1998). The legislative department provides a legal cover for the local enterprise operationalization through the enactment of ordinances and resolutions. The support ordinances and resolutions shall have provisions setting the required tax rates, fees and charges. Looking into how the operating departments perform its work is not solely for the executive department but also a legislative oversight function to ensure

that the expected revenue to finance the periodic investment requirements of the LGU will be attained. In its omnipresent role, the functions of the government have become diverse and its problems interdependent hence, any serious attempt to define and separate the functions would only cause inefficiency in the government (Civildaily, 2017).

The Human resource development is necessary in order to strengthen the LGU's absorptive capacity. A human resource development program to build and improve the capabilities of their personnel is an on-going activity for the concerned local government units. Human resource theories posit that all workers are reservoirs of untapped resources. It is believed that each and every worker comes into an organization with a variety of resources that management can tap into if they try. These resources include not only physical skills and energy, but also creative ability and the capacity for responsible, self-directed, self-controlled behavior (Miles, 1999). Adherence to the basics of functional management has always been the tenets of local governance, such as planning, organizing, commanding, coordinating and controlling. These functions were universal, and that every manager performed these functions in their daily work (Carroll & Gillen, 2019). A local government unit's agenda are sectoral development matters of significant concerns. The agenda should be based on worthiness and how it influences and affect its constituencies (Amenta & Caren, 2004)

### **Available Options for an Entrepreneur Local Government to Enhance Its Revenue - Generating Capability**

The results based on the thematic analysis revealed five essential themes. These are policy formulation, agenda, development goals, strategic advantage and external factors. Everything that is legally done in the LGU operations is being covered by a policy being formulated as an operating procedure. This overall concept normally is a legally-binding framework for more detailed plans and concepts for a longer period of time (PORTAL transport teaching material, 2003). Periodic assessment of policies specifically those provided in the local revenue code is being done to find out what matters can be done to source out additional revenue. Every LGU aspires to have a 50%-50% revenue pie composition of internal revenue allotment from national government and local revenue source. Such that increasing local revenue source in the portion of total revenue pie is always the main agenda of every administration. And any projected increase will trigger the corresponding amendment to the local revenue code and zoning ordinance. Implementation is the litmus test for the development agenda's success coupled with foresight, creativity, and perhaps most of all, perseverance (de Beer, 2009). Implementation is the litmus test for the Development Agenda's success. Every local government unit is mandated to prepare a comprehensive development plan where the development goals are provided.



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The specific objectives are typically used to guide desirable organizational outcomes and create outlines for employee workflow (Sharp & McDermott, 2009). Another sectoral component is the administration plan that will lay down policies, among others, providing local revenue generation processes and control.

The LGUs must have identified their respective strategic advantage in a competitive business environment and maximize it as a strength. Even when faced with stiff competition, having a competitive advantage provides you with greater opportunities to close more business (Mendez, 2019). One way of promoting the locality to entice investors is to provide a suitable business environment. Aside from actively engaging with probable investors and promoting local products the local government must have institutionalized policies on ease of doing business. All local government units will be expecting a significant increase in their respective internal revenue allotment because of the implementation of the Mandanas case decision as claimed by the respondents. The Supreme Court ruling provides that the local government units are entitled not just on the share collected by the Bureau of Internal Revenue, which is presently being the case, but also a just share to all national taxes collected by the government; e.g customs duties. This is a significant change in fiscal policy and something as common as a shift in government policy could have a significant effect on a business (Goggin, 2021).

### Implications for Future Research

The use of qualitative research approach do not generalize results to the population from which samples are taken (Creswell, 2013). Although we can find somewhat related studies that have been done here in the Philippines and abroad, matters of information being focused by this research are found to be wanting hence, to fill up the knowledge gaps, future researchers may replicate this study in another setting, using different samples to validate the transferability of the results. Moreover, future researchers may pursue similar studies utilizing other qualitative approaches such as case studies, ethnography, and grounded theory to find out if similar themes emerged. Furthermore, in the light of the accelerated progress being experienced by the local communities due to automation brought about by modern technologies periodic research of similar topic should be undertaken to find out things that are worthy of significance.

### Concluding Remarks

The information gathered from this research are basically not new, but enabled me to validate in actual setting what has been contextually observed. That local governments commonly adopted similar approaches in generating revenues to finance its periodic investment requirements. Entrepreneur local officials and officers seem to be not as risk taker as their private entrepreneur counterpart. They prefer to

situate in the comfort of their zones even though nothing of great significance can be expected to happen from those traditional approaches. Although innovative ideas abound, we can only hope of the necessary actions to come later. Moreover, like any organizations, local government is being run through via an established system. A legislated operating procedure provides the legal cover in which the flow of governance is being undertaken. Basically, the elements of functional management, such as planning, leading, organizing and control are established features in the whole of local government operation.

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