

The Relationship between Organizational Structure and Entrepreneurial Culture in Islamic Azad University of West Province of Mazandaran

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ABSTRACT

The principal objective of the current research is to study the relationship between the elements of the structure with the culture of the entrepreneurship in the Islamic Azad universities of the Mazandaran province's West. The research was conducted by the correlation method. The statistical society of this research consists of the entire employees of the Islamic Azad Universities of the Mazandaran province's West, numbering 1086 individuals. The statistical sample was determined 286 individuals based on the Kerjesi's and Morgan's table and with regard to the society volume. Sampling method. Tool of collecting the data and information includes two questionnaires of:

1. Elements of the organizational structure with 20 five- choice questions being of Likert spectrum which have been made by the researcher and assess and study three elements of the complexity, formality and concentration
2. Questionnaire of entrepreneurship's culture, with 40 questions which have been regulated on the basis of the Likert spectrum and assesses and studies seven components of (perception of change, detection of opportunities, participation, individual creativity, independents, admission of responsibility and risk-taking) The obtained data and information were analyzed using the multiple regression analysis tests and Pearson's correlation coefficient. The findings obtained from the research that: There exists a significant relationship between the elements of the organizational structure and the entrepreneurial culture. There exists a negative and significant relationship between the complexity, formality and the entrepreneurial culture and these two variables are able to predict entrepreneurially. There is not a significant relationship between the concentration and entrepreneurial culture.

KEYWORDS: Entrepreneurial culture, Elements of the organizational structure.

INTRODUCTION

Examinations relating to human force are indicative of this resource major role in countries success in development. In fact, the amount of authorities and responsibilities assigned to employees and the extent they are supported in executing activities and the status they attain in organization determine their performance. If all of these factors be realized appropriately then organization will have forces that are very active, creative, innovative, and entrepreneur, who carry out works in new ways and allow themselves to take risks for attaining higher efficiency and realizing organization aims. In all of these trends, the thing that is very impressive is organizational structure which determines individual status in organization and their autonomy and latitude. It is organization structure that with its flexibility can train creative, innovative and entrepreneur people for organization; on the other hand, organization structure influences organization culture and inculcates in to organization employees which jobs are possible or impossible in organization, if organization has flexible structure, consequently, culture will be a flexible and supportive one which encourages creativity and entrepreneurship.

On this basis, carrying out projects in the field of relationship between organizational structure components and entrepreneurial culture can be very useful.

Problem Statement

Acceleration of transformations and evolutions and also emergence of new intellectual, cultural, industrial and social products has brought about wonderful and considerable situations for countries like our country which are affected by development deferment, so that these countries are stricken by a sort of historical coercion and have no choice except the way which others placed before them (developed countries); since they neither have opportunity, capital and enough resources to invent new method for development nor the strength to exit infinite sea of today modern and technologic world achievements (Mozafari et al., 2007). The country population Increasing trend, job opportunities and such factors are reasons which make the state politicians and programmers look for solutions to

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solve this problem and the solution is nothing except entrepreneurship, since entrepreneurship is recognized as countries economical development motor in present era (Kord Naiij and Moghimi,2009). Simply, “entrepreneurship” is the process of establishing an enterprise on the basis of a thought and new idea. One or group of individuals whom we call entrepreneurs discover or create new opportunity and on its basis, they found private institute and venture on entering market and competition (Alimardani and Ghahramani,2009). Entrepreneurship needs existence of a particular culture. Not every person has the ability or the inclination to be entrepreneur. For this reason and considering the major significance of entrepreneurship in new economies (creation of small and medium enterprises), different countries have resolutely implemented detailed programs to expand such a culture in their society to continue their growth and dynamism path unceasingly. The most successful country in this field is America. (Mohd khairuddin hashim,2004)

Unfortunately, in our country people have more “working” spirit than entrepreneurial or adventurous spirit. The state managers should attempt to promote an entrepreneurship culture on the basis of a serious programming (Bordbar et al.,2008). Organizational entrepreneurship is like an instrument for enterprises modification, efficiency improvement and competitiveness. The structure tendency to be influenced by culture is an important concept, since culture has great impact upon organizational structure. Culture can influence the ways in which organization determine its future strategy. (Robinz,2009)

“Culture” can be known as a collection of beliefs, customs, ideas, and dominant values in a society. In other words, culture is a concept that makes sense at society and group level and in interaction with them, it states the manner in which individuals in a society establish relations and interact. Based on culture, individuals exchange their experiences, imaginations and ideas.

Relation between entrepreneurship and culture is discussable from two dimensions. On one hand, it is the results of entrepreneurship that influence the society and on the other hand, it is the entrepreneurship process itself and its pervading culture which are influenced by the principles of the society culture and also can create major changes in it. (Morris et al., 2002)

On one hand, entrepreneurship by creating job opportunities and producing wealth and improving economical conditions is a major prerequisite for the society cultural promotion. With satisfaction of primary livelihood needs, the way will be paved for appearance of superior human needs, being directed towards true path, they lead to human and society prosperity and elevation.

Besides the novelty being major attribute of entrepreneurship, they lead to production of newer products and introduction of more varied services so that people choice power will increase and the life will be simplified. With an increase in welfare level and leisure time, more opportunities are created for cultural activities. This in long term will result to construction and development of democratic guilds, with appropriately directing them high steps can be taken to culturally promote the society (Tayeb, 2004). On the other hand, entrepreneurship formation and effectiveness claims special methods being founded upon certain beliefs and values. The collection of these methods and beliefs can be considered a culture. In fact, entrepreneurship process has in its heart a particular culture latent. This culture can be considered the same culture dominant upon small entrepreneurial companies, culture is a joint concept accepted by company members, and it is a collection of values, beliefs and joint methods dominant upon the company activity (Schein, 2007). Entrepreneurship is the culture of perceiving change and discovering opportunity. Entrepreneurs and entrepreneur companies keep pace with changes and try to discover opportunities created meanwhile and exploit them. Taking pace with changes requires a cultural basis valuing change, a basis that can put away old performances and select new guidelines (Eyal and inbar, 2003). To create changes and revolutions in organization we need to change organization culture, entrepreneurial culture should be created and organizational structure should be influenced through culture. Organizations are influenced by organizational culture as they are influenced by size and technology. (Alimardani and Ghahramani, 2009)

Considering organizational structure role in the organization and its influence upon creativity and entrepreneurship and considering desirability of an organic and flexible structure to create and establish entrepreneurial culture in organizations, the present article is to examine the relationship between organizational structure components and entrepreneurship culture in Islamic Azad Universities of Mazandaran province and also it intends to examine the effects of each component upon creation and development of entrepreneurship in universities. So to realize this aim, below hypotheses were designed and examined.

The Study Hypotheses

The study main hypothesis

There is a relation between organizational structure components and entrepreneurship culture in Islamic Azad Universities of west of Mazandaran province.

The study special hypotheses

- 1-there is a relation between formality extent and entrepreneurship culture.
- 2-there is a relation between the extent of concentration and entrepreneurship culture.
- 3-there is a relation between the extent of complexity and entrepreneurship culture.

THE STUDY METHOD

The present study is descriptive and of correlation kind. The study statistical society is comprised of all staffs of Islamic Azad Universities in west of Mazandaran province that amount to 1086 people. The sample volume was determined based on Korjesy and Morgan table and according to the society sample 286 people were selected. The method was hierarchical random sampling. The employed instrument in this study is questionnaire including two criteria of organizational structure components and entrepreneurship culture. Also, to analyze data, multiple regression analysis and Pearson correlation tests are used.

Testing the study hypotheses

1-there is a relation between organizational structure components and entrepreneurial culture in Islamic Azad Universities centered in the west of Mazandaran province.

Table (1). The matrix of entrepreneurship culture variables correlation coefficient and predictive variables (organizational structure components)

4	3	2	1	Variable
*-0/116	0/033	*-0/124	*-0/133	Entrepreneurship culture
				Predictive variables
**0/144	-0/065	0/041	-	complexity
**0/895	-0/029	-	-	formality
**0/399	-	-	-	concentration

P* < 0/05, p** < 0.01

Table (1) data shows that:

- 1-there is a negative and significant relation between organizational structure components and entrepreneurial culture. (r=-0/116, p=0/025)
- 2-there is a negative and significant relation between formality and entrepreneurship culture. (r=-0.124, p=0/018)
- 3-there is no significant relation between concentration and entrepreneurship culture. (r=0.033, p=0.291)
- 4-there is a negative and significant relation between complexity and entrepreneurship culture. (r=0.133, p=0/012)

As you saw, there is significant relation between organizational structure components, complexity variables, formality and organizational structure and entrepreneurship culture.

To determine the best predictor of entrepreneurship culture among predictor variables, regression model with step by step method is used.

It should be stated that complexity and formality have entered the model. The results are shown in table (2).

Table (2). Summary of analysis of complexity and formality variables and entrepreneurship culture variable

Standard error	Modified R	R ²	R	Predictor variable	Step
29/487	0/014	0/018	0/0133	Complexity	1
29/326	0/025	0/025	0/178	formality	2

Above table shows the summary of regression analysis. According to the table data it is known that in step1, complexity score has entered the model and this variable can justify 2 percent of variance (R² =0.018). By adding formality to model1 in second step, the variance is increased by one percent. (R²=0.032)

The obtained results of the two model variance analysis are shown in table (3).

Table (3): the results of variance analysis obtained from the two model regression

P	F	Squares average	Freedom degree	Sum of squares	Changes resource	Model
0/024	5/120	4452/243	1	4452/243	regression	
		869/502	284	246938/586	error	1
			285	251390/829	total	
0/010	4/648	3997/168	2	7994/336	regression	
		860/058	283	243396/493	error	2
			285	251390/829	total	

The above table data show the results of the two models variance. In model1 as it is shown, obtained F is significant at level 0/05. ($f(1,284)=5/120, P=0,0240$). So with confidence of 95 percent we conclude there is a relation between complexity variable and entrepreneurship variable and independent variable (complexity) has the power to predict criteria variable. In model2, obtained F is significant at the level, 0/05. ($f(283,2)=4/648, P=0.010$). so with confidence of 95 percent we conclude there is a relation between formality variable and entrepreneurship culture variable and independent variable(formality) has the power to predict criteria variable. Obtained results to determine regression analysis coefficients and significant prediction power for independent variables and also to adjust regression equation are given in table 4-8

Table (4). step by step regression analysis coefficients

		Standardized coefficients	No standardized coefficients		Component	Model
p	t	Beta	Standard error	Gradient coefficient		
0/000	11/317		17/316	195/960	Stable value	first step
0/024	-2/263	-0/133	1/308	-2/961	complexity	
0/000	11/294		18/625	210/355	Stable value	
0/029	-2/190	-0/128	1/302	-2/852	complexity	Second step
0/043	-2/029	-0/119	0/195	-0/395	formality	

Considering the above table, results show that since computed t to determine significance of regression line gradient (b) for complexity variable is significant at the level, 0/05 ($t=-2/263, p=0/05$), so complexity prediction power for entrepreneurship culture is statistically significant and also, computed t to determine significance of regression line gradient(b) for formality variable is significant at the level, 0/05($t=-2/029, p=0/05$), so formality prediction power for entrepreneurship culture is statistically significant.

$$Y=a+b_1x_1$$

Entrepreneurship culture prediction= stable value+ gradient (complexity variable)

So by substituting coefficients in above formula, entrepreneurship culture prediction equation is obtained through complexity variable:

$$\text{Entrepreneurship culture}=195/960+ (-2/961) (\text{complexity})$$

According to the gradient value, the more complexity value the less it predicts for entrepreneurship culture.

Also, according to table 4-8 results, it is shown that the T value relating to complexity variable is -2/263 and it is significant at the level, 0/05. And this shows a negative and reverse relation between complexity and entrepreneurship culture.

According to standardized B value relating to complexity (-0.133), it is shown that for one unit variance in complexity variable, 0/133 value is decreased from entrepreneurship culture variable.

Regression equation for model2 can be written like:

$$Y=a+b_1x_1+b_2x_2$$

Entrepreneurship culture prediction=stable value + gradient (complexity variable) + gradient (formality)

Therefore, by substituting coefficients in above formula, entrepreneurship culture prediction equation will be obtained through formality variable.

$$\text{Entrepreneurship culture prediction}= 210/355+ (-2/852) (\text{complexity}) + (-0/395) (\text{formality})$$

According to gradient value, the more formality value, the less value it predicts for entrepreneurship culture.

Also, according to table4-8 results, it is shown that T value relating to formality variable is -2/029 and it is significant at the level, 0/05. This shows a reverse and negative relation between formality and entrepreneurship culture. According to standardized B value relating to formality (-0/119), it is shown that for one unit variance in formality variable, -0/119 value is reduced from entrepreneurship culture variable.

Conclusion

The result of hypotheses test showed that there is a significant relation between organizational structure components and entrepreneurship culture and complexity and formality variables can respectively predict the amount of entrepreneurship culture variations, they respectively predict the values of -13/3 percent and -11/9 percent variations in entrepreneurship culture, this relation is negative and significant that is , the more complexity and formality values, the less entrepreneurship culture and vice versa. This result is in agreement with findings of Molapoor (2009), Hazar Jaribi (2007), Jahani (2008), Feizpoor (2006), Farjadi (2010), Begli and Boid (2007), Hatton&Roland (2006),Rashid (2004),and Tandoste (2008) findings. These projects findings showed that there is a

relation between organizational structure components and entrepreneurship culture in organizations and there is a negative and significant relation between formality and complexity and entrepreneurship culture and these components have the power to predict entrepreneurship culture. In fact these studies indicate that the existence of much formality and complexity in organizational structure results in decreases in entrepreneurship culture. In other words, a flexible structure can develop entrepreneurship culture and pave the way for entrepreneurship and novelty and creativity.

Also, the results of testing the study hypotheses showed that there is a relation between formality and entrepreneurship culture and this relation is significant and reverse at the level, 0/05. That is by an increase in organizational structure formality, entrepreneurship culture decreases and vice versa. This result is in agreement with the findings of foresaid researchers. These studies were also indicative of a negative and significant relation between formality and organizations entrepreneurship culture, the presence of formality and its increase in organizational structure causes entrepreneurship culture to decrease. In fact organization formality and existence of hindering regulations of bureaucracy prevents the establishment and prevalence of entrepreneurship culture since it hinders any kinds of novelty and creativity.

The results of coefficient correlation test showed that there is a relation between concentration and entrepreneurship culture by $r=0/33$ that is not significant. The test results showed that there is no significant relation between concentration and entrepreneurship culture. This finding is in agreement with the study findings of Tandaste (2008), Begli&Boid (2007), Farjadi (2010), Feizpoor(2006). These findings showed that there is no significant relation between structure concentration and entrepreneurship culture, in fact, concentration doesn't influence entrepreneurship culture any much.

Also, this study findings indicated that there is a relation between complexity and entrepreneurship culture by $r=-0/133$ and this relation is significant and reverse at the level, 0/05. This result is in agreement with the project findings of Molapoor (2009), Hazar Jarabi(2007), Jahani (2008), Feizpoor (2006), Farjadi (2010), Noveh Ebrahimi&Ezatolahi (2009), Begli& Bowid(2007), Hatton and Roland(2006), Rashid (2004)and Tandoste (2008).

In fact these findings are indicative of this truth that the existence of complexity in the organization structure prevents the creation of entrepreneurship culture in the organization. The presence of bureaucracy and complexity of different relations at various levels, the existence of various surveillance and control sections, many superiors to whom individuals should be accountable and the lack of a certain policy to elucidate individuals working trend make them confused, lack of a certain and modern program and existence of many complexities prevent the establishment of entrepreneurship culture and creativity.

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