

## **Relationship between Organizational Structure and Entrepreneurial Culture in Academic Environment**

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### **ABSTRACT**

One of the important topics and new research in the field of educational management, it is "entrepreneurial university". The present study is aimed to investigate the relationship between organizational structure and entrepreneurial culture in academic environment. Questionnaire was used to Data collection. This Questionnaire distributed in different units of Islamic Azad University of Ardabil province, and finally 273 Questionnaire were used for this study. Structural equation model was used for data analysis. Finally, results showed that I appreciate the Formalization rate, the concentration and the amount is less complexity in the organization tend to be more entrepreneurial culture.

**KEYWORDS:** organizational structure, organizational entrepreneurship, Islamic Azad University

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### **INTRODUCTION**

Changes and developments and also the emergence of new products accelerated intellectual, cultural, social and industrial development for countries like our country who are suffering from transposition of biophysics and noteworthy is created; These countries have suffered as a kind of historical determinism and choice but to walk the path that others (developed and developing countries) have toes in there; Because no have the capital and sufficient resources to devise ways and new methods of development have not can get out of the ocean today's modern technological achievements. Today's economic, industries and social cultural conditions of our country is such that problems and bottlenecks, the patterns are different and require new solutions. To growing increase of the population, the young demographic profile, inability to attract labor in the productive sectors, Creation of job opportunities and factors such as these are the reasons that causes the macro policy makers and planners in order to solve this problem seriously looking to find some holes, and this solution is nothing but the concept of entrepreneurship, because entrepreneurship is now known nva the Economic development engine. Establishing and institutionalizing the concept of barriers to entrepreneurship, the one hand requires mental obstacles, such as mold on the other hand, involves individuals and institutional barriers in their organizations and has participated. Entrepreneurial pursue work opportunities highly variable, a good way to identify the host organization and its strategic restructuring.(Shepherd et al., 2008)For stable organizations, entrepreneurial organization that is expressed through entrepreneurial projects, represents a potential engine of progress that can be created through new products, formed new markets, discovering new technologies and new businesses are created. (Zahra, 1999) entrepreneurship is a phenomenon that occurs in the environment and the different datasets and economic growth through innovation is that some people have developed in response to the economic situation and they have created this values for individuals and for society.(Shepherd et al., 2008)Therefore, organizational entrepreneurship is including entrepreneurial behaviors to serve in a stable organization. (Echols & Neck, 1998)Therefore, they committed individuals in these organizations towards their goals and all his power and talent to develop and employ the organization's survival. Including those in this organization has provided such a context, the prevailing the atmosphere organizations. The staff organizations with the highest level of commitment do to their work and that can be most effective in creating this space, the organizational structure that will act as the body of this organization.

### **Theoretical framework**

The structure including the way in which are divided and coordinated organization tasks. The structure is shown by organization charts, job descriptions, procedures and regulations. Organizational structure is associated

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with work flow and given pattern. In addition to organizational structure can provide the link between social and psychological sub-systems. Organizational structure is reflected in the organizational chart. Organizational chart is a visible symbol of the entire organization's activities and processes. On the other hand, the culture of entrepreneurship, creativity and innovation set of values, attitudes, norms and behaviors that constitute the identity of individual entrepreneurs. Entrepreneurs who are trying to look different with different modes of behavior in the face with phenomena around and around, to take entrepreneurial activities and new product and service provide to the community. Characteristic of entrepreneurs, who can be creative, innovate, take risks, tolerate ambiguity conditions, failure tolerance, perseverance, self control, confidence, flexibility, foresight and independence and ... cited. (Rezayian, 2007) Entrepreneurs are the engine of economic development have always been of interest to scientists and researchers so that the International Research Institute to monitor the growth rate in developed countries based on their expression levels of entrepreneurship. Entrepreneurs are creative people and in terms of open and flexible to behave quite differently and its ability to efficiently use hand turns to entrepreneurship and renewal. Since employees are able to operate in terms of organization structure and organization structure will determine their function of the extent and scope of responsibilities and authorities therefore may be difficult in terms of functional and structure rules inflexible no-normal obstacle to their entrepreneurship and creativity. In fact organization structure and its constituent elements that allow the culture to support entrepreneurial activities and the creative and again at the other end of the spectrum, it can block any kind of structure to entrepreneurial. (Niazazary, 2002) In this regard, several studies in the field of research has been done and here is to mention some of this research.

Farjadi research (2010), Entitled "The relationship between organizational structure and entrepreneurial culture in Higher Education and Research Institute of Management and Planning". Results showed that there is significant relationship between the elements of organizational structure and entrepreneurial culture in the organization. There is significant and inverse relationship between Formality and complexity variables.

Rysal (2002) in a research with title "Effective factors in the entrepreneurial culture of government agencies in Indonesia" observed that is effective the organizational structure and its elements, Specialization, creativity, training, support from top managers of employees in the establishment of entrepreneurial culture in the organization.

Rashid (2004), research with title "Relationship between organizational structure and entrepreneurial culture and its impact on entrepreneurial characteristics of the Dutch high school students". Results showed that there is significant relationship between the elements of organizational structure and entrepreneurial culture and there is significant negative relationship formalized and complexity with entrepreneurial culture and entrepreneurial culture has the ability to predict. Development of entrepreneurial characteristics in a negative impact on students, but flexibility has a positive and significant relationship with the entrepreneurial culture and characteristics such as motivation, self-control, self-esteem and enhances creativity and increases in students.

Hatten and Doland (2006), research with title "The relationship between organizational structure and entrepreneurial culture in technical and vocational training centers in Australia". Results showed that there is a significant relationship between organizational structure and entrepreneurial culture and Component flexibility is a significant positive relationship with entrepreneurial culture. And Formalized components and the complexity and concentration have a significant negative relationship with the entrepreneurial culture and from among them flexibility, complexity, and can support more entrepreneurial culture are Formalized, respectively.

Begley and Boyd (2007), research with title "The relationship between organizational structure and entrepreneurial culture at the University of British Darham". Results showed that there is significant relationship between organizational structure and entrepreneurial culture in universities, and there is significant negative relationship formalized and complexity and entrepreneurial culture. There is no relationship between the focus and entrepreneurial culture. There is a significant positive relationship between flexibility and career-oriented entrepreneurial culture. Variables of flexible, career-oriented, entrepreneurial culture changes predicted to be formalized and complexity.

### **Research importance and necessity**

Organizations his face with speed, intensity and depth of changes in internal and external conditions. In the meantime, it is most important tasks the goals of the organization, employee, management attitudes, strategies and activities of senior managers. Besides these matters, it should be reminded that culture plays an important role in sync with the organization is responsible for various changes. Entrepreneurial culture among the employees and managers in organizations with a unified and coordinated and thus achieve organizational goals and respond to changes in the environment, one can see that the main role is responsible for all matters entrepreneurial culture. (Heler, 2003) Entrepreneurs and entrepreneurial companies take steps to keep pace with the changes and try to discover the opportunities created through these changes and take advantage of them. Consistent with the cultural

context that involves changes to the price change and it is embrace. Which can be admitted if necessary, put aside traditional approaches and practices and new approaches to choice. (Eyal&inbar, 2003) One of the important issues and new academic field, subject, university entrepreneurship. Entrepreneur of the structure and culture of entrepreneurship is seen as a necessary condition for organizational success and to accomplish this, should the entrepreneurial culture of organizational structure, there is a close relationship. Large organizations such as universities review and provide coherence and coordination between them As the first and most successful entrepreneurial organizations, the organization must implement a variety of organizational factors on the structure and culture of your organization, each with its own characteristics. Academic entrepreneurial approach, the path to compliance with the requirements of the country. Academic entrepreneurship is solving the scientific community, governments and businesses, creating development and innovation, academic research to supply the product market, offering a range of new technologies and innovation are the boundaries of human knowledge. (Alimardani&Ghahramani,2009)

### Definitions of variables

**Organizational structure:** Organizational structure in which the basic is determined, fundamental mission, fundamental management, the overall mission, the communication and the decision. (Faghahi farahmand,2003)

**Formalization:** The standard refers to the amount of jobs within the organization. The most important formalization techniques are selection process, requirements, roles, procedures and policies, and practices for employees to prove their loyalty and their commitment to obey. (Rabinz,2008)

**Complexity:** The breakdown of the organization implies that there are three separate horizontal and vertical resolution based on the geographic areas studied. (Esmi,2009)

**Centralization:** Power density for a formal decision to focus on individual, unit or organizational level to be focused and to allow employees to participate in decisions that cites at least. (Talebbidokhti& Anvari,2004)

**Entrepreneurial culture:**Entrepreneurial culture the culture changing and explore opportunities.A culture that create new jobs, new ideas and creating new business support. (Alimardani, 2009)

### The proposed research model

Due to the extensive review of research literature, the conceptual model presented in Figure 1 is intended as a conceptual model of this study. According to the conceptual model, research hypotheses can be developed as follows.

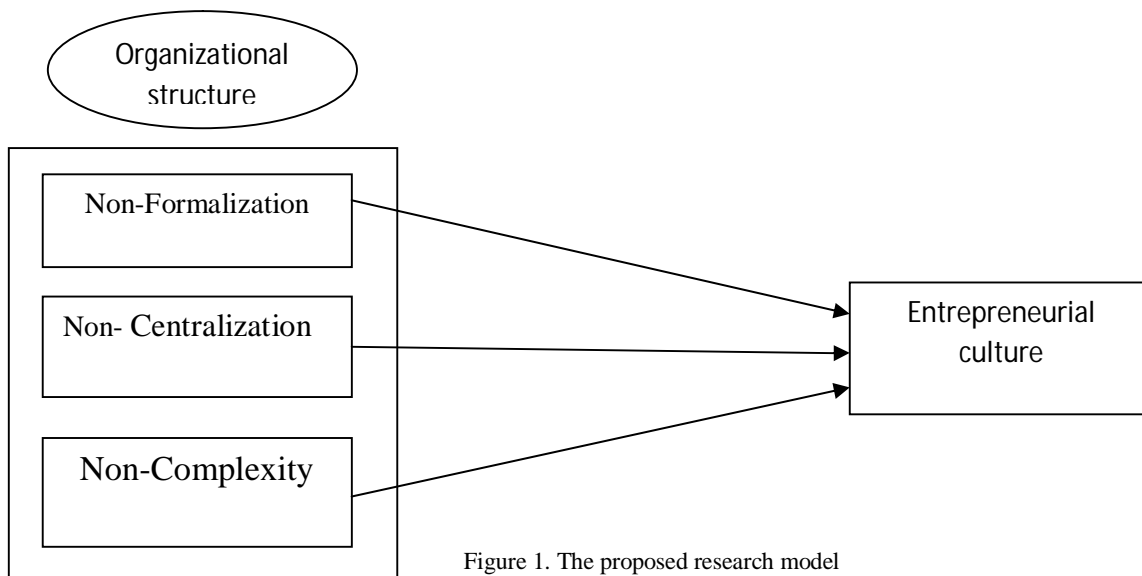


Figure 1. The proposed research model

H<sub>1</sub>: Formalization level is much lower in organization, it is more Tendency towards entrepreneurial culture.

H<sub>2</sub> Centralization level is much lower in organization, it is more Tendency towards entrepreneurial culture.

H<sub>3</sub>: Complexity level is much lower in organization, it is more Tendency towards entrepreneurial culture.

## MATERIALS AND METHODS

### The Questionnaire

In the present study a questionnaire was used to collect the required data. In order to measure variables from the Likert (1 low to 5 very high) was used. Questionnaire was obtained from previous research. In order to measure the latent variables were considered 3 questions for non- complexity, 5 Questions for non-formalized, 5 questions for Non- Centralization 5 questions for the entrepreneurial culture. In order to measure reliability of the 25 questionnaires distributed in before the test statistic was the result of all the variables have a Cronbach's alpha was higher than 0.7 and the questionnaire was distributed And so have the necessary reliability.

### The sample

In the present research that examined the relationship between organizational structure and entrepreneurial culture in the academic environment, the various branches of Azad University of Ardabil province for collecting required data was considered. questionnaire during the 3 weeks among 300 employees in various branches of the 273 questionnaires that were distributed randomly for the study were diagnosed. In Table 1 Demographic information on respondents can be considered.

Table 1. Demographic Variables

Variable	Dimensions	Frequency	Frequency percent
Gender	Man	195	71
	Female	78	29
Age	Under 30 years	58	21
	31-40	127	47
	41-50	69	25
	High 51	19	7
Experience	Under 3 years	42	15
	3-5	81	30
	High 5	150	55

### DATA ANALYSIS

Exploratory factor analysis was used for data analysis. Therefore, exploratory factor analysis were some questions that have a low share of the final analysis was performed using structural equation modeling, were excluded. After exploratory did factor analysis using structural equation modeling to test the research hypotheses. Structural equation modeling is a statistical modeling techniques. This method is a statistical modeling technique that other techniques such as multiple regression, factor analysis, path analysis and Its main focus on the latent variables that can be measured by the indicators are clearly defined. The structural model on which we can determine the relationships between latent attributes that are extracted based on the theory according to the data of the sample is approved or not? Structural modeling equations were used for the calculation of the end. An important point that should be considered in structural equation modeling, Discuss the suitability of the research model to examine relationships between variables that were measured by fitting the end, is presented in the final output, is visible. In Table 2 Fitting parameters for the model study is presented.

Table 2. fit index Model

Index	Allowed value	The numbers obtained
$\chi^2 / df$	$\chi^2 / df < 3$	2.17
Amount of P	<0.05P	0.000
RMSEA	0.08 < RMSEA	0.059
Goodness of fit	Higher than 9/0	0.91
Comparative fit index	Higher than 9/0	0.97
NFI	Higher than 9/0	0.94

As noted in Table 2 can be fitted to all indexes are at their limit such as  $\chi^2 / df = 2.17$  , amount of P with amount of 0.000, RMSEA with Amount of 0.059, Goodness of fit with Amount of 0.91, Comparative fit index with amount of 0.97, NFI with amount of 0.94 and so can indicate the suitability of the model. In order to check the hypotheses of the research results of the calculations, the Lisrel software, In two case, the research model in standard mode were used (Figure 2) and significant in the research model (Figure 3).

Figure 2. The research model in standard mode

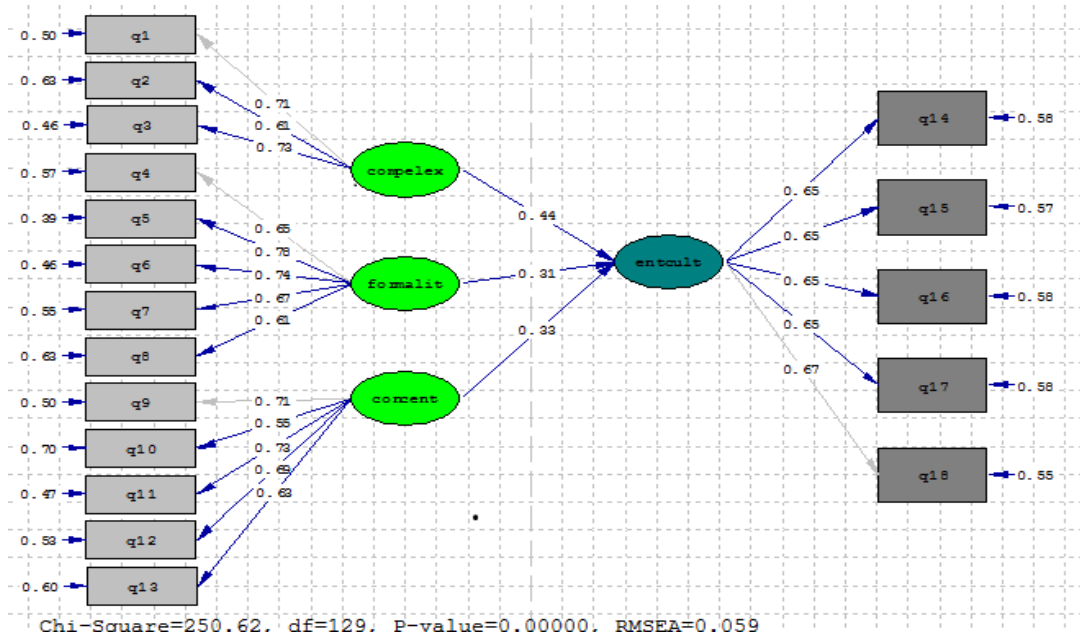
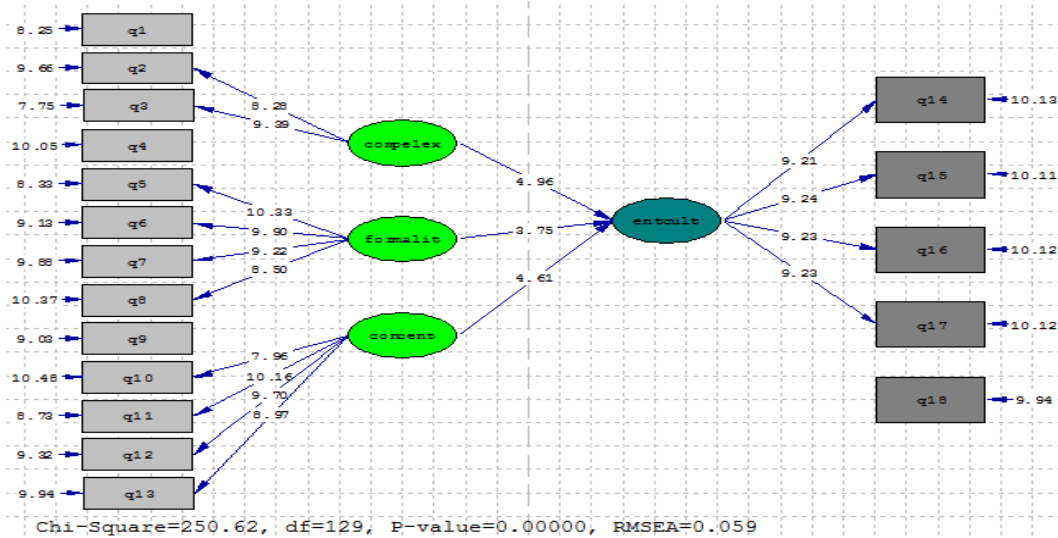


Figure 3. The research Model significant mode



Considering that 0.95 percent confidence level was considered to test hypotheses, therefore all the hypotheses that a significant number of them out of range is, and + 1.96 and - 1.96 are accepted. Continues to check the assumptions of the model in significant research and explains the standard mode.

H<sub>1</sub>: Formalization level is much lower in organization, it is more Tendency towards entrepreneurial culture. Our results indicate that non-formalization with standard factor in the 0.31 and t = 3.75 impact on entrepreneurial culture. Indicate that the hypothesis H1 is confirmed. In the other words, matter how much formalization in organization tends to reduce the entrepreneurial culture in the organization increases.

H<sub>2</sub> Centralization level is much lower in organization; it is more Tendency towards entrepreneurial culture. Our results indicate that non- centralization with standard factor in the 0.33 and t = 4.61 impact on entrepreneurial culture. Indicate that the hypothesis H2 is confirmed. In the other words, matter how much centralization in organization tends to reduce the entrepreneurial culture in the organization increases.

H<sub>3</sub>: Complexity level is much lower in organization, it is more Tendency towards entrepreneurial culture. Our results indicate that non- complexity with standard factor in the 0.33 and t = 4.96 impact on entrepreneurial culture.

Indicate that the hypothesis H1 is confirmed. In the other words, matter how much complexity in organization tends to reduce the entrepreneurial culture in the organization increases. Summary results of research hypotheses is presented in Table 3.

Table 3. Results of research hypotheses

Hypotheses	Significant number (T)	Path coefficients (standard)	Results
H <sub>1</sub> : Formalization level is much lower in organization, it is more Tendency towards entrepreneurial culture.	3.75	0.31	Accepted
H <sub>2</sub> : Centralization level is much lower in organization, it is more Tendency towards entrepreneurial culture.	4.61	0.33	Accepted
H <sub>3</sub> : Complexity level is much lower in organization, it is more Tendency towards entrepreneurial culture.	4.96	0.44	Accepted

## Conclusion

Our purpose in this study was the dimensions of organizational structure on entrepreneurial culture in the academic environment. Our analysis showed that the dimension of organizational structure in academic environments is effective based on the tendency towards entrepreneurial culture. In this study we examined the effect of three dimensions of complexity, centralization and formalization on entrepreneurship culture took shape. Our results indicate that organizational structure influences in tendency towards a culture of entrepreneurship. According to our analysis, less complexity in the most influence on Environment University had a tendency towards a culture of entrepreneurship. The impact of centralization less and less complexity to recognize entrepreneurship were also significant, To terms with the move towards less formal and less centralization, the organization will be an entrepreneurial culture. According organizations has a entrepreneurial culture, successful organizations and individuals in their tendency toward growth and development, innovation and high then considering the results of this study is recommended Management measures to improve the organizational structure of universities with the axis of motion has an entrepreneurial culture and thus the success of development and growth and provide community development.

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