

Study of Relationship between Entrepreneurial Skills and Organizational Entrepreneurship

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Abstract: Today, the manpower is considered as an unlimited resource and is the center of any development. Organizations won't be creative, innovator and entrepreneur in it. Unless innovative and creative individuals with special skills and characteristics from their elements. The purpose of present article is to study the relationship of skills, entrepreneurial abilities with the level of organizational entrepreneurship in public organizations of Guilan province. The present methodology is analytical and descriptive. Hypotheses are evaluated by using of coefficient of correlation. The research population consists of the total of public organization's managers 132 people out of them have selected as sample through major's table. The tools of gathering data is the questionnaire which provided by a researcher based on Liker Spectrum. To determine the adjustment of components of questionnaires of this study Cronbach was used in which entrepreneurial skills and organizational entrepreneurship were validated by 89% and 87% respectively. The result of the research shows that there is a meaningful relationship between entrepreneurial abilities, skills and the level of organizational entrepreneurship. Also, the level of organizational entrepreneurship is varying with respected to age, the level of education and employment years variables.

Key words: entrepreneurship, skills and abilities, organizational entrepreneurship, manager.

INTRODUCTION

Entrepreneurship is the concept which so far is studied from different points of view and all people believe that entrepreneurship is the motive engine of economic development of developed and developing countries. The reasons of such a claim include wealth production, technological development, and productive employment. Entrepreneurs are individuals or groups that operate independently or from on organizational systems, establish new organizations or innovate and renew the organization that has been already existed (Chrisman and Kellermanns, 2006). In fact, entrepreneurship is the process of establishing or developing a business based on a new idea. The process in which a new element with new value can be created by using creativity, time, resource, risk and by applying other factors, is called entrepreneurship (Marinigh, 2008). In above definition, there is an emphasis on the use of individual abilities as if facilities, resources and opportunities are utilized well. There fore, it can be said that establishing the aspects of empowering and enjoying manpower is one of the beads of individual entrepreneurship.

A relative constant in existed differences between the situation of different countries shows that factors other than economic factors are involved in them (Thurist & Freytag, 2007). These factors are the role and the impact of entrepreneurial skills.

The purpose of the present research is to study the relationship of skills, entrepreneurial abilities with the level of organizational entrepreneurship of the total of Guilan Public organizations' managers- Iran. Since public organizations' managers in Guilan province are considered as middle managers of Iran, so the aim of present research is to study the relationship of entrepreneurial abilities & skills, these who play a basic role in the aspects of middle term planning in public organizations with the level of organizational entrepreneurship. The obtained results can consider the place and role of selecting middle managers as organizational entrepreneurs.

Entrepreneurship:

The word of "entrepreneurship" is originated in the French word "Entreprene" means "Commit one self".

Entrepreneur is one who is committed to accept, manage and organize risks of an economic activity

(Farhangi & Safarzadeh, 2007). In general, most of researchers divide entrepreneurship in major kinds.

- (1) Individual entrepreneurship
- (2) Organizational entrepreneurship

Individual entrepreneurship, entrepreneur creates job individually & independently but in organizational entrepreneurship, entrepreneur creates job in a organization where has been already existed, and absolutely functional differences are also included between these two. But today by developing technology and increasing communications among people, we can also see there other kinds of entrepreneurship referred briefly as following:

- (1) Independent entrepreneurship: is the process leads to the justification or new demanded. Entrepreneurship is the process of creating value through terming an exclusive set of resources to utilize opportunities, and according to this, an independent entrepreneur is one who has a primary responsibility for gathering essential resources for a business to start. The basic feature of entrepreneurship is innovation, (Fry, 1998)
- (2) Organizational entrepreneurship or intraorganizational entrepreneurship is the process in that products or processes innovated by inspiring, creating entrepreneurial culture in an organization that has been already established are appeared. In other words, it is a set of activities that enjoys organizational resources and support to access innovative results (Samad Aghae,1998)
- (3) Corporate entrepreneurship: means the company's commitment to producing and introducing new products, new processes and new organizational systems.

The difference of organizational entrepreneurship and corporate entrepreneurship is that in the first an individual is the origin of innovation, evolution and entrepreneurship in an organization but the latter, all members of the company and organization have an entrepreneurial mentality and such a mentality exists in throughout the organization (Shaker, 1996).

- (4) Public entrepreneurship: public entrepreneurs usually act in public institutes or big organizations and have much inclination to stull and omit administrative bureaucracy because they can't endure rules, regulations and controls that this big bureaucracy imposes on its members and create new waves in different parts including legislation (Covin & Selvin, 1997).
- (5) Tele- entrepreneurship: is the process during which an entrepreneur engages in job creating without having a physical attendance and only remotely.
- (6) Social or nonprofit entrepreneurship: is the process during which an individual or more by establishing and doing an innovative action cause many people in a society to enjoy its profits. Some nongovernmental organizations do such actions.
- (7) Informational entrepreneurship: is the process in which an entrepreneur is active in informational industry and innovates in the field of information also called making content. What we mention as discovering and exploiting opportunities in virtual organizations is done by these informational entrepreneurs.
- (8) Co entrepreneurship : is the process during which spouses after their marriage and through being together create a job jointly.
- (9) Thechnoentrepreneurship: is the process during which an entrepreneur acts by creating developed technologies.
- (10) Women entrepreneurship: when women perform entrepreneurship independently and lonely, it is called women entrepreneurship.

Entrepreneurial Skills:

By studying theoretical basics of entrepreneurship, its skills can be divided in 3 parts as follow:

- (1) Personal skill: It includes some cases such as internal regulation and control, risk-taking, innovation, the ability to manage changes, central changes, insistence, persistence, attempt, leadership and foresight (Higinz 2002, Breker 2001).
- (2) Managerial skills which include planning, determining targets, decision- making, man relationship, marketing, managerial financial and accounting skills, control, negotiation, developmental management (Histrich & Piterz, 2004, Hagi,2003).
- (3) Technical skills which include written skills, oral or verbal communications, evaluation or puservision, environment, business management, technology, interpersonal skills, audio skills, the ability for

organization, establishing management network (corporate management), preceptorship, actor/ actress and playing a role in a team or team-making skills (Morrison, 2000, magazine 2004).

Entrepreneurial Process:

Discussion about entrepreneurship and its component is the form of entrepreneurial process can help the topic of entrepreneurship to be better understood. As indicated in figure (1), entrepreneurial process has consisted of 6 steps that start by realizing opportunities and terminate by enjoying them. Considerable notice of this process is that during the process and in each step, an entrepreneur after recognizes opportunities , receives regularly feedback from an environment in next steps and use it to recognize future opportunities (Morris & Kuratko, 2001).

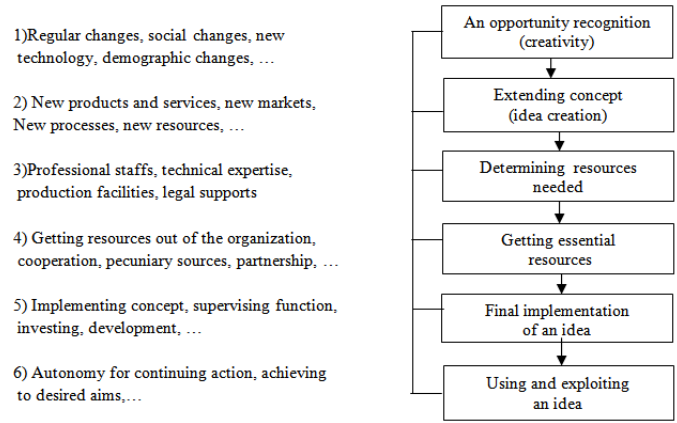


Fig. 1: entrepreneurial process

Entrepreneurial process can be called a dynamic process that includes creativity, change, revolution and desire. This process needs to apply and individual's energy and motivation to create and implement new idea, it also needs applied solutions.

Major elements of this process includes:

- a desire for risk- taking based on the time.
- Equity or employment opportunities
- Ability to form a team in relation to doing a risky action
- Having creative skills for arranging resources needed
- Having basic skills for planning a constant and integrated professional plan.
- Having a prospective for finding opportunities which others can't find it in a disordered situation (Kuratko & Hodgets, 2004).

Effective factors of organizational entrepreneurship (Moghimi, 2004) classifies effective factors of organizational elements in 3 factors:

- Entrepreneurial structural factors: include some cases such as organizational structure, organizational guideline, payment system, budgetary and financial system, information system, research and development system, control and supervision system, human resource system, processes and methods.
- Entrepreneurial behavioral factors: include some cases such as organizational culture, manpower motivation, leadership style, managers and staff's characteristics, human resource training, human communication system.
- Entrepreneurial context factors: include some cases such as a relation with client, political- legal environment, sociocultural environment, administrative environment.

Review of Studies Conducted:

- Seyyed Mohammad Moghimi (2003) during a research under the little of "Giving a positive organizational pattern for nongovernmental organizations by using an entrepreneurial attitude "Studied abilities and characteristics of the organizational entrepreneurship in nongovernmental organizations in order to introduce a positive pattern for structural, behavioral are contextual factors of the nongovernmental organizations relative to organizational entrepreneurial features".

- Noruzi (2005) in a research studied the relationship between psychological factors of ability- making and organizational entrepreneurship in Melat Bank branches and concluded that there was a meaningful relationship between feeling "being meaningful" and efficiency of Melat Bank branches.
- David sson & Wiklund (2003) cited that R. Schommer (1986) studied the relationship between freedom and encouragement due structural factors and organizational policies. To train entrepreneurs in an organization, he believes that if an organization has the following features, it can be promoted from low entrepreneurial activity to high entrepreneurial activity.
- Fully independent and Layering.
- Forming risk making team from corporate.
- Minimizing bureaucracy - Flexibility
- Annabell et al. (2005) in a research under the little of "the effect of creativity in workplace", studied the effect of creativity on environment. The results showed that creativity is effective in organizations and (this relationship is a simple linear one. This research studies the present of a primary theory from the cycle of creative effect.
- Dunessi (2003) in a research studied the results of organizational entrepreneurship effect, flexibility, tendency toward marker and job satisfaction. One of the results of this research was the existence of a meaningful relationship between the level of trust and entrepreneurship. High levels of trust between organization members have a positive effect on innovation through exchanging information. According to this, the trust extends throughout an organization when informational channels are open and information share is common (cited by Davidson,2003).
- Eyal & Inbar (2003) in a research under the little of "A tendency toward customer, organizational entrepreneurship a tendency toward learning in organization ", indicated a meaningful relationship between individuals' age & organizational entrepreneurship, and these findings suggested that young people are more able to make a research about market's need in order to develop entrepreneurial effectiveness.
- Brizek (2003) in a research studied the relationship between organizational entrepreneurship and management performance. The research sample included 120 people of unit's managers, middle managers and restaurants' top management. This research showed that there was a meaningful relationship between organizational entrepreneurship and managerial performance. It means that the more the management utilities its personnel's participation, the organization will progresses toward organizational entrepreneurship (cited by Brianing, 2004).

Research hypotheses:

- 1) The rate of organizational entrepreneurship of Guilan province public organizations' managers is higher than average level.
- 2) Personal skills (abilities) have meaningful relationship with the rate of organizational entrepreneurship of public organizations' managers.
- 3) management skills (abilities) have a meaningful relationship with the rate of organizational entrepreneurship of public organizations' managers.
- 4) Technical skills (abilities) have a meaningful relationship with the rate of organizational entrepreneurship of public organizations' managers.
- 5) The rate of organizational entrepreneurship is different among Guilan province public organizations' managers with respect to age, level of education and employment years variables.

Methodology:

The present research is analytical and descriptive and is a type of applied method. The research population consists of total of Guilan province public organizations' managers and vice managers. The number of research statistical population is 198 people that 123 out of them were selected as samples with respect to Morgan & Koher table. To gather data a questionnaire was used. To evaluated the rate of organizational entrepreneurship's managers by virtue of combining the views of Farhangi & Jafarzadeh (2005), Moghimi (2004), Antonik & Mesirpich (2003) organizational entrepreneurship, a 35 item questionnaire was designed. To evaluate the rate of entrepreneurial skills a 25 item questionnaire which made by a researcher, based on experimental and theoretical basics- pointed out in the literature was planned based on Likert measurement spectrum and 3 entrepreneurial skills and abilities were measured namely 1) entrepreneurial personal skills; 2) managerial skills ; 3) technical skills. With respect to the rate of enjoying them a respondent is asked to select the best item in a range of 1) very low; 2) low; 3) average; 4)high ; 5) very high. Questionnaires Kronbach alfa was used.

Table 1: Kronbach alfa final coefficients

Components	Percent
Entrepreneurial Skills	89%
Personal skills	83%
Managerial skills	84%
Technical skills	91%
Organizational entrepreneurial	87%

Final values obtained for research tools suggested appropriate durability of tools as if the durability of entrepreneurial skills' questionnaire is equal to 89%, and the durability of organizational entrepreneurship's questionnaire is equal to 87%.

In analyzing data, descriptive and illative statistics has been used. In descriptive analyzing a table of frequency distribution, central indexes was used and in illative data analyzing one sample T-test and Pierson coefficient of correlation were used in order to determine the relationship between variable and variance analysis.

Findings:

A) Descriptive Finding:

- 8% of sample members are in a range of 25-36 years old, 50% are in a range of 35-45 years old, 20% are in a range of 45-55 years old and 2% are in 55 years old and more.
28% sample members have an associate program of studies and lower, 44% have a bachelor degree and 7% have master' degree and higher.
- In the aspect of employment years, 48% have 5-10years of service, 32% have 5-10 years of service, 12% have 15-20 years of service, 8% have 20 years of service or more.

Table 2: descriptive study about the situation of the rate of entrepreneurial skills and abilities, and the rate of organizational entrepreneurship in a sample.

Component	average	Standard deviation	Range changes	Frequency
Entrepreneurial skills	110	3.87	94	132
Personal skills	27	4.21	21	132
Managerial skills	43	3.44	37	132
Technological skills	39	2.96	32	132
Organizational skills	135	5.82	112	132

B) Findings Based Hypotheses:

H.1:the rate of organizational entrepreneurship of the public organizations' managers is higher than an average Level.

Table 3: adescriptive study about public managers' rate of organizational entrepreneurship

Maximum	Minimum	Standard deviation	Average	Frequency
164	32	5.79	135	132

Table 4: one sample T-test for a comparative study about Guilan province managers' position in the aspect of the rate of organizational entrepreneurship with respect to average standards.

Meaningfulness Level	P-value	Averages difference	Means of average standard	Sample Average	Frequency
5.124	62%	5	140	135	100

By considering the results obtained by one sample T-test, T values obtained at 5% Level, are not meaningful, so it can be said that three is no a meaningful difference between the mean of the rate of organizational entrepreneurship of Guilan province public organizations' managers & average standard means. With respect to the sample mean & standard it can be said that the position of public organizations' managers in Guilan - Iran about the rate of organizational entrepreneurship is at a positive Level.

H.2: personal skills & abilities have a meaningful relation with managers' organizational entrepreneurship.

Table 5: A correlation test for determining the relation between person skills abilities and organizational entrepreneurship

	Personal skills & abilities
Organizational entrepreneurialships	Pierson coefficient of correlation
	Meaning fullness Level
	Frequency
	.618
	.000
	132

The coefficient of correlation obtained between two variables of personal skills & abilities and the rate of organizational entrepreneurship is equal to 5.618. So managers' rate of entrepreneurship has a meaningful relation with the rate of personal skills & abilities at 1% Level. Therefore, a positive and strong correlation between these two variables.

H.3: managerial skills and abilities have a meaningful relation with managers, rate of organizational entrepreneurships.

Table 6: Correlation test for determining a relation between managerial skills & organizational entrepreneurships

		Personal skills & abilities
Organizational entrepreneurships	Pierson coefficient of correlation	.761
	Meaning fullness Level	.000
	Frequency	132

The coefficient of correlation obtained between two variables is equal to. 761. So, the rate of organizational entrepreneurships of managers has a meaningful relation with the rate of managerial skills at 1% level. So, there is a positive & strong relation between two variables.

H.4: Technical skills has a meaningful relation with the rate of organizational entrepreneurships of public organizations' managers in Guilan - Iran.

Table 7: Correlation test to determine a relationship between technical skills and organizational entrepreneurships

Technical skills		
Organizational entrepreneurships	Pierson coefficient of correlation	.682
	Meaning fullness Level	.000
	Frequency	132

The coefficient of correlation obtained is equal to .682. So, managers' rate of entrepreneurship has a meaningful relation with the rate of technical skills at 1% Level. Therefore, there is a positive & strong relation between two variables.

H.5: The rate of organizational entrepreneurship among managers of Guilan public organizations is different with respect to age, Level of education & years of service variables.

Table 8: ANOVA test for a comparative study of multiple age group in the aspect of organizational entrepreneurship rate.

	Sum of square	Degree of freedom	Average of squares	F	sig
Inter group	687.262	3	226.88	26.233	.000
Intra group	381.817	12	8.619		
Total	155.630	131			

Result from one way Varian analysis test show that the value of F is equal to 26.233, this value is meaningful at the Level of 1%, It means that there is a meaningful difference among 4 age groups in the field of entrepreneurship rate.

Table 9: ANOVA test for a comparative study of educational multi groups in thefield of entrepreneurship

	Sum of square	Degree of freedom	Average of squares	F	sig
Inter group	111.582	2	278.469	86.399	.000
Intra group	387.582	129	4.056		
Total	1505.581	131			

Results from one way variance analysis showed that the value of F is equal to 68.399. This value is meaningful at the level of 1%. It means that is a meaningful difference among averages of educational degree triple group in the field of organizational entrepreneurship rate.

Table 12: ANOVA test for a comparative study about service years multi groups in the field of organizational entrepreneurship rate.

	Sum of square	D.F	Average of squares	F	sig
Inter group	997.339	3	224.331	43.391	.000
Intra group	528.301	128	5560		
Total	1525.633	131			

Results from one way variance analysis test showed that the value of F is equal to 43.391 and this value is meaningful at the Level of 1%. It means that three is a meaningful difference between the average of service years 4 groups in the aspect of organizational entrepreneurship.

Conclusion:

The present research studies the relation of entrepreneurship skills with the rate of organizational entrepreneurship among public organizational managers of Guilan-Iran. Results suggested that first, the rate of organizational entrepreneurship in Guilan public organizations is average. Second, entrepreneurial skills and including personal, managerial and technical skills have a positive, direct and meaningful relationship. Third, there is a meaningful difference in the field of organizational commitment rate. Among managers with respect to age, level of education, service years variables, as if the increase the age of individuals, the increase their organizational entrepreneurship rate. In fact at the Level of 25-55 years old we encounter with an increase in the rate of organizational entrepreneurship in individuals. The higher people's degree educations, the higher organizational entrepreneurship. The more an individual service years, the higher organizational entrepreneurship rate.

With respect to the results obtained, it is suggested that strategic managers should consider the following cases in order to support entrepreneur managers and to improve the rate of organizational entrepreneurship:

- review the sue of the new idea, believing in organizations' corporate management and structure.
- science there is a positive relation between entrepreneurial skills and organizational entrepreneurship, a special attention should be paid to assigning provincial managers, to identify and track the way managers are employed in appropriate jobs.
- strategic managers should note that one of the way they can activate managers' entrepreneurial rate is to develop personal, technical, managerial skills of managers. So, holding training courses and workshops needed can be effective for the process of activating managers' skills.
- By considering level of education, service years and age, managers selection and assignment with respect to above cases and paying attention to them, can be one of the factors for increasing organizational entrepreneurship.

At the end, it can be concluded that public organizations' managers in Iran are considered as middle managers. So, because middle managers have a central - linear (planning - administrative) position, they take a responsibility for a central role in the process of organizational entrepreneurship rate. Therefore, considering technical, personal and managerial skills by this group of managers can be taken in to account as a motive engine of different parts.

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