

Entrepreneurship in the context of organizational culture

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Abstract

The importance of entrepreneurship and citizenship behavior is obvious. To achieve development, organizations should pave the way for development of these two items in their human resources. These two factors in development of economic and social issues are the cheapest tools with the highest efficiency. In order to discuss the importance of organizational culture for the growth of these two concepts, culture plays the role of mother womb for fetus growth (entrepreneurship and citizenship behavior).

The present study aimed to evaluate the relationship between organizational culture with entrepreneurship and organizational citizenship behavior in Telecommunication Company of Golestan province. The study is applied in terms of purpose and descriptive-correlation in terms of method. The study population is 400; its 200 people sample is extracted by simple random sampling method. In statistical analysis, Cronbach's alpha, Kolmogorov-Smirnov, Spearman correlation coefficient and Wilcoxon test are used. The results show that there is a direct and significant association between organizational culture and entrepreneurship and organizational citizenship behavior.

Keyword: organizational culture, entrepreneurship, citizenship behavior

Introduction

Today, entrepreneurs are considered as one of the development tools. Also, based on rapid increase of new competitors and distrust to traditional management methods in companies, entrepreneurship in organizations is felt. The economic condition of country and population composition of today can make us requiring pioneer grounds in economic field and the model, models and suitable solutions are required for education and optimal use of active force and entrepreneurs.

Thus, dynamic and pioneer organizations are required to detect and develop creative people and entrepreneurs as managements need these tools to achieve them. One of the suitable tools for entrepreneurship development is supportive entrepreneur culture. The relationship between entrepreneurship and culture is discussed from two aspects: On one hand, entrepreneurship results affect the community and on the other hand, the entrepreneurship process and underlying culture are based on community culture basics and can create basic changes in it. Based on the role of entrepreneurship in full development in industrial and advanced countries, developing countries should create entrepreneur organizations and companies and it is not possible except we consider the role and importance of culture, growth factors or entrepreneurship culture barriers.

Innovation speed is increased as we cannot have a fixed view to changes and innovations and what is considered as competitive advantage against other competitors by organizations is imitated by others rapidly (Akinlolu & Rafiu, 2011).

The important point is that in this increasing change, to cope up with environmental threats and probable opportunities, organizations are obliged to recognize their internal capacity and capability to continue their life (Tabrizi et al., 2005, 140). The experience of advanced industrial spaces shows that the major factor leading to the increase of competitive, manufacturing and economic ability is human resources element.

Specialized and creative human resources play important role in economic development and growth process in a society. If a society is without specialists, the economic growth coefficient is reduced (Ghanbari and Zarafshani, 2007, 85). Intelligent organizations to develop some components as effectiveness, human capital and organizational citizenship behaviors (OCB) and entrepreneurial plans and outperforming compared to competitors should create the conditions to absorb creative, entrepreneur and committed people to have the benefits of some phenomena as OCB and organizational entrepreneurship (OE). To cope up with challenges and threats, there is only one useful solution and it is creating a suitable culture ground to develop citizenship behavior and entrepreneurship in organization. Organizational culture (OC) as an infrastructural factor and foundation of other grounds for entrepreneurship requires deep changes in recognition, beliefs, values and tradition of a nation. The organization development as a planned process is equal to the changes of OC.

One of the important factors guaranteeing the organization success is organizational culture as considered by theorists and scientists in recent years. Wilson and Alman considered social tactics as important in transferring cultural values of organization and Kabel and Parson considered this tactic based on the change in adapting employees with organization (Taormina, 2008, 79). Katz and Kan in the book (social psychology of organizations) stated that for effective performance of their duties, organizations need the employees acting beyond the requirements of their main role in organization.

They believe that inside any organization, there are many participative activities and without their full fulfillment, all of them don't achieve their goal. They believe that some limited numbers of activities are considered in the explanation of jobs of employees but most of them are extra-role behaviors (The behaviors as not existing as written and formal in job explanation) and considering them is necessary to achieve organizational effectiveness. In this regard, OCB as a type of behavior plays important role in improving individual and organizational performance (Kernodle, 2007,48). These behaviors and actions are occurred at work place and are defined as followings:" a set of voluntary and intentional behaviors which are not parts of individual and formal tasks, but enhance the effective performance of the organization (Korkmaz & Arpacı, 2009).

Based on the above explanations, due to the shortage of financial resources and lack of adequate time in existing competitive space and different social, economic and cultural expectations, private organizations including Telecommunication Company of Iran as delegated to private sector recently, are obliged to move to creating entrepreneurship and improving OCB.

Literature review

The organizational culture model of Cameron & Quinn

In this study, the framework of competitive values of Cameron & Quinn (2006) is used to evaluate OC. Based on this framework, there are four types of OC:

1. Clan culture (group, tribe): The organization has family culture emphasizing on sustainability and flexibility, interest in people and sensitivity to customers. The work space of organizations with clan culture is friendly (Cameron & Quinn, 2006:66).

2. Adhocracy culture: In this culture, external concentration and environmental flexibility are created as encouraging risk taking, creativity and dynamics. In this culture, there is special commitment to experience and innovation (Hellriegel et. al, 2002:492).

3. Market culture: The organization with market culture emphasizes on external situation with the need to stability and control. Such organizations are result-oriented and their main attention is proper performance of tasks. The employees compete with each other and they are the goal of climate and long-term emphasis of organization is on competitive measurements and achieving quantitative goals (Cameron & Quinn, 2006:66).

4. Hierarchy culture: The organization with this culture emphasizes on internal control and stability, it is fully formal and structured for doing tasks and the procedures are defined as they define which work is done by a person (Ibid, 66).

Cameron & Quinn presented “OC evaluation tool” to evaluate and identify the relative superiority of four types of cultures in organization (Ibid, 66). To evaluate each type of organizational cultures in these tools, six general criteria as followings are used. By considering six criteria in evaluation of each of four cultures, evaluation tool of OC is a questionnaire with 24 items, current culture and good culture of organization (Fralinger & Olson, 2007:42).

Dominant characteristics: Team work and belonging, creativity and dynamics, focusing on goals, competition, trusting systems and emphasis on productivity.

Organizational leadership: The leadership style penetrating in organization. In previous studies, Quinn et al., (1981) explaining eight leadership groups combined them in review of OC Assessment Instrument (OCAI). The identified roles include: Facilitator, and Mentor, Innovator, Broker, Producer, Director, Coordinator, Monitor.

Employees’ management: It refers to the behavior of staffs, degree of consulting, participation and agreement and work place.

Organizational glue: The connection mechanism linking organization as team work, loyalty, commitment, entrepreneurship and flexibility, rules, policies, goal direction and competition.

Strategic emphasizes: The organizational strategy motivators, long-term development of human capital, innovation, stability and competitive advantage, growth, ownership and achieving goals.

Success criteria: How is success defined, who receives reward profit, market share and influence, sensitivity to customers and concern for people, new services and products and reliability, assurance and optimal costs (Igo Tony, Martin, 2006:5-6).

OC as predicting factor of citizenship behavior and organizational entrepreneurship:

OCB: The set of behaviors as considered extra required behaviors in environment and it is voluntarily individual behavior and is effective on good mental and social space at work place and organizational effectiveness improvement (chen & et al, 2009: 121; Podsakoff & et al, 2006:530). These behaviors are turned into extensive field in managerial and organizational researches (Blakely, & et al, 2005: 266). The OCB is an extra-role, efficient and social-based (Alotaibi, 2005:355). This phenomenon doesn’t include the behaviors to fulfill the role requirements or job explanation (Aree, 2009:563).

OE: There are various definitions of this organizational phenomenon and if we want to present a comprehensive definition, we can say: Entrepreneurs are innovators creating suitable opportunities for high production and creating suitable economic space to take the benefit (Blackman et al., 2000; Pourdariani, 1998, 21). They consider change as a natural phenomenon and an opportunity and turn the resources from the sectors with low output to the sectors with high output (Shahrakipour et al., 2010, 125; Bifeld, 2008:7).

Based on the importance for entrepreneurship and OCB on the impact of organization performance, quality of services and organizational productivity in various researches, perception of the predictor or effective factors on these two organizational concepts is of great importance. In researches in recent years on citizenship behaviors and OE, the following factors are provided as job attitude, interpersonal trust, loyalty to leadership, job features, inherent effect and the effect of situation and existing space to develop innovation, creativity and support of managers (Shaffer, Margaret, 2005:407). Generally, they can be classified in four groups: 1- Employees features, 2- Organization features, 3- Job features, 4- Leader features.

We can consider the variable including value creation of these features. According to this researcher, this variable is OC forming micro-values, values and people and organization features. The present study aimed to evaluate and explain the relationship between OC with entrepreneurship and OCB. To fulfill the above goal, a main hypothesis and six sub-hypotheses are considered.

Main hypothesis: There is a significant association between OC, entrepreneurship and OCB.

Sub H1: There is a significant association between Dominant Characteristics, entrepreneurship and OCB.

Sub H2: There is a significant association between Organizational Leadership, entrepreneurship and OCB.

Sub H3: There is a significant association between Management, entrepreneurship and OCB.

Sub H4: There is a significant association between Organizational Glue, entrepreneurship and OCB.

Sub H5: There is a significant association between Strategic Emphases, entrepreneurship and OCB.

Sub H6: There is a significant association between Criteria for Success, entrepreneurship and OCB.

Methodology

The present study is applied in terms of purpose and survey-descriptive and correlation in terms of method. The study population is 400 employees of Telecommunication Company of Golestan province-Iran as sample size 200 is extracted by Kerjelic and Morgan Table. To select them, simple random sampling is used.

The data collection measure is questionnaire of organizational culture of Cameron & Quinn (1999) with 24 items, at first 4 items of dominant culture, four items of organizational leadership, 4 items of management of employees, 4 questions of organizational glue, 4 questions of strategic emphasis and 4 questions of success criteria and OCB standard of Organ and Konovsky (1995) with 15 items and OE questionnaire of Smith, W. L., Schallenkamp, K., & Eichholz, D. E. with 16 items (2007) are used. The measure validity is determined by content validity and reliability by Cronbach's alpha and for OC questionnaire, the coefficient is 0.876 and for OCB 0.903 and for OE as 0.847. For hypotheses test, at first Kolmogrov-Smirnov test is used and data normality is rejected and then statistical methods as Spearman correlation coefficient (to achieve the relationship or dependence) and Wilcoxon test are used.

Study findings

Table 1. includes demographic data of employees and managers of telecommunication organization of Golestan province.

Table 1: Demographic data of employees and managers of organization

Percent	Frequency	Sample size	Variables
88.5	177	Man	Sex
11.5	23	Women	
11.5	23	25-30 years	Age
41	82	30-40 years	
39.5	79	40-50 years	
8	16	50 + years	
7.5	15	10 - years	Length Employment
16	32	10-15 years	
30.5	61	15-20 years	
46	92	20-30 years	
38.5	77	Diploma	Education
50.5	101	Bachelor	
10.5	21	Masters	
0.5	1	Phd	

Table 2 includes the information about mean and standard deviation and Cronbach's alpha of organizational culture, citizenship behavior and organizational entrepreneurship.

Table 2: The mean, standard deviation and Cronbach's alpha coefficient of variables

Variables	Mean	SD	Cronbach's alpha	Item
Dominant Characteristics	24.2755	3.66349	0.82	4
Organizational Leadership	16.9643	2.26540	0.87	4
Management	15.3776	2.75314	0.86	4
Organizational Glue	20.9184	2.65706	0.90	4
Strategic Emphases	10.6020	2.42412	0.89	4
Criteria for Success	14.7296	3.02186	0.83	4
OC	102.8674	10.8545	0.87	24
OCB	3.35952	35.2959	0.90	15
OE	3.73162	3.73162	0.84	16

As shown in Table 3, based on the nature of study, in data analysis, at first, Kolmogrov-Smirnov test is used to achieve assurance of natural distribution of data ($P > 0/05$) and the results are shown in Table 2 and based on the results and Asymp.

Table 3: Results of Kolmogrov-Smirnov test

Observation distribution doesn't follow normal distribution.			H1: (=1)	
Variable	N	Test statistics	Sig Value	Test result
Dominant Characteristics	200	0.69	0.001	N-n.d
Organizational Leadership	200	1.35	0.021	N-n.d
Management	200	1.43	0.003	N-n.d
Organizational Glue	200	1.55	0.011	N-n.d
Strategic Emphases	200	1.37	0.004	N-n.d
Criteria for Success	200	0.81	0.002	N-n.d
OC	200	1.08	0.008	N-n.d
OCB	200	1.006	0.022	N-n.d
OE	200	0.57	0.019	Non-normal distribution

Sig. (2-tailed) less than 0.05, it shows H0 rejection. This hypothesis “the sample is achieved based on normal distribution” and for analysis of hypotheses, Spearman and Wilcoxon test at the level ($P < 0.05$) are used to determine the predictor and significance test, variance analysis and simple linear regression.

The results of data analysis to evaluate study hypotheses, Table 4, 5 show that based on sig value, ANOVA, there is a positive and significant association between all independent variables (OC” and dependent variables (entrepreneurship) and “OCB”. Among the existing components there is the highest relationship between “success criteria, OE) with correlation coefficient ($r = 0/406$, $P \geq 0/05$) and “organizational leadership with OCB) with correlation coefficient ($r = 0/386$, $P \geq 0/05$) and there is the lowest relationship between “management of employees with OE” with correlation coefficient ($r = 0/183$, $P \geq 0/05$) and strategic emphasis with OCB with correlation coefficient ($r = 0/194$, $P \geq 0/05$). Also, Wilcoxon test shows that the results of data frequency percent shows that in all indices, positive views to negative views percent is higher and with significance level is supported.

Table 4: Spearman and Wilcoxon test coefficients between OC and OE variables

Variable	OE			
	Spearman correlation coefficients		Coefficients Wilcoxon test	
	Spearman	ANOVA (Sig)	Wilcoxon	ANOVA (Sig)
Dominant Characteristics	0.368	0.003	-3.351	0.000
Organizational Leadership	0.261	0.007	-4.021	0.005
Management	0.183	0.004	-2.677	0.008
Organizational Glue	0.221	0.000	-2.891	0.000
Strategic Emphases	0.372	0.009	-5.446	0.006
Criteria for Success	0.406	0.000	-5.073	0.002
OC	0.303	0.003	-4.335	0.004

Table 5: Spearman correlation test and Wilcoxon between OC variables and OCB

Variable	OCB			
	Spearman correlation coefficients		Coefficients Wilcoxon test	
	Spearman	ANOVA (Sig)	Wilcoxon	ANOVA (Sig)
Dominant Characteristics	0.214	0.003	-5.854	0.000
Organizational Leadership	0.386	0.007	-2.777	0.005
Management	0.271	0.004	-2.371	0.008
Organizational Glue	0.288	0.000	-4.780	0.000
Strategic Emphases	0.194	0.009	-4.453	0.006
Criteria for Success	0.334	0.000	-7.588	0.002
OC	0.281	0.003	-5.274	0.004

Discussion and Conclusion

The final purpose of present study is evaluation of the relationship between organizational culture and entrepreneurship and OCB. The findings of hypothesis test showed that there was a direct and significant association between OC with both variables. To improve performance and effectiveness of organizations, entrepreneurship and OCB are taken into attention.

OC as one of the most important contextual variables on job satisfaction, employees’ commitment and employees behavior can be considered by researchers. Based on the significance of this concept in its effect on behavior and attitude of people, this study attempted to evaluate its relationship with OCB. There are various evidences regarding OC and OCB. Based on the results of

study, organizational culture is a fundamental pre-requirement to improve entrepreneurship and OCB. Organizational culture with the six features as raised by Cameron & Quinn includes dominant characteristics, organizational leadership, management of employees, organizational glue, strategic emphasizes and success criteria) can show criterion variables in staffs.

The results of present study show that the better the dimensions of OC (dominant characteristics, organizational leadership, management of staffs, organizational glue, strategic emphasizes and success criteria), the higher the size of OCB. Organizational culture can affect the attitude and behaviors of employees and encourage them to overlap each other in case of need. The extra-role behaviors are also shown. The values hidden in OC can improve or avoid entrepreneurship and OCB behaviors of staffs. We can say that OC is a good ground to improve these two organizational phenomena, the culture in which common values and attitudes among employees regarding helping the people, voluntarily following of rules, loyalty and components forming OCB can be emphasized.

The study findings are consistent with the results of study of Monavarian and Ahmadi (2012) evaluating the effect of OC on OE in Karafarin bank. They found that the culture in Karafarin bank has positive and significant association with involvement at work, adaptation, assimilation and mission with OE. The study findings is consistent with the other results of study as Denson and Sperizer (1991), Tabrizi et al. , (2005), Katrin et al., (2003), Krokot (2005) and Ghahremani et al., (2010).

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