

The Impact of Some Effective Factors on Multi-Purpose Companies with an Entrepreneurial Approach

Mohammad Reza Tork^{*1}

1MSc Student of Industrial Engineering, Payam Noor University, Tehran, Iran

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Abstract

Entrepreneurship is a concept has existed with the human creation. Paying attention to key role of entrepreneurship in modern economy to create small or medium companies, different countries are having detailed plans to develop entrepreneurial culture in their society to be able to continue their Development and dynamism path. Also the survival of the organization in future is fully dependent on promotion of entrepreneurship, creativity and innovation in different fields. Entrepreneurship and paying attention to it is the main term to develop in all countries. Present research observes some of the effective factors on entrepreneurship and related results in multi-purpose companies and indicated the rate of intended company's employment rate in one of northern provinces of Iran.

Key words: Entrepreneurship, multi-purpose company, employment rate, Northern Province in Iran

Introduction

Entrepreneurship is a concept has existed with the human creation. To simplify, the process of establishment and development of business, based on a new idea. Entrepreneurship needs special culture to growth in society. Regarding the key importance of the entrepreneurship in modern economy, creating small and middle companies, different countries provided detailed plan to expand such culture in their society to continue development and dynamism path. In present decade and in knowledge economy in contrast to industrial economy, human and social resource is considered among the most important assets of the organization and organization potential success rooted in their applicability. In this regard, organizational entrepreneurship depends on Development of new products and services, innovation in products and services, and creating new units working in the organizational field .finally it could be led to sustainable competitive advantages for organizations.(1). Entrepreneurship is the propulsion in expanding the country and one of its role is innovation. In many developing countries since the late 1970s, entrepreneurship was focused. Joseph Schumpeter asserts: entrepreneurship is the main propulsion in developing the economy and the role of Entrepreneur is innovation and new combination of the materials. In his view, activities such as offering the new product, providing a new method in the production process, opening new markets, finding new resources and new enterprises of any entrepreneurial industry are considered entrepreneurship. (2) Modern societies for developing entrepreneurial activities are needed to institutionalize the culture of entrepreneurship. The most important role of entrepreneurship is innovation means establishing mutual compatibility and harmony between different sections that could be emerged through instilling a culture of entrepreneurship. Also entrepreneurship means: the use of sources to utilize the opportunities for development and progress (3) identifying the effective factors on creating and developing entrepreneurship culture and also unique specifications of the entrepreneurs in occupational organization of an individual in present days is considered as an element in

the growth and development of various economic, cultural, social and political aspects in the way that entrepreneurship factor is considered as production and development propulsion and also foster and booster of the investor spirit and efficiency in human resource. Entrepreneurship could be defined as the process of creating value through a unique set of resources to take advantage of opportunities.(4) according to Arthur Cool entrepreneurship is targeted activity including a series of individual or group coherent decisions to create, expand and keep economic unit. Improving entrepreneurship and creating proper bed stone to expand that is considered the tool of economic development, especially in developing countries as an entrepreneurial activity with high efficiency contributes to economic development, job creation, innovation, competitiveness, etc. (5)

Entrepreneurship vocabulary was first used in the early sixteenth century who were in the military mission. From about the year 1700 entrepreneurial were used for the contractors who were in charge of civil affairs. Entrepreneur and entrepreneurship in the first stage was focused by the economists and all economic schools from the sixteenth century onwards, have described entrepreneurship in their theories in a way. Josef Shompiter by presenting the theory of economic development in 1934, which coincided with the great depression, led the central role of entrepreneurs in the creation of profit, considered and why he has been called the father of entrepreneurship. So far, numerous studies related to organizational factors are carried out that can promote or hinder entrepreneurial activities (6) in addition, researchers considered organizational entrepreneurship as a growth strategy and an effective tool for achieving a competitive advantage.(7) Entrepreneurs and entrepreneurial companies are moving with changes and tries to discover the made opportunities in the flow of changes and exploit them. Pace with changes requires a context in which to welcome change: the bed stone which in case of necessity could abandon traditional approaches and performance and adopt new approaches. The word innovation in neighboring Iran, Turkey used in the past two years and is known as the other words, and as result lost its real meaning and just some companies are busy at the depth of this issue in Turkey. (9) There are Studies to understand the causes, nature,

*Correspondent Author : Mohammad Reza Tork
E-mail : mohammadrezatork94@gmail.com

causes and results of entrepreneurship in the both national and international literature, of course the focus is on small and medium-sized companies In the organized industrial zones (10).

Material and Method

In the many parts of the business contribution to all eligible members of society in economic activity is increasingly becoming a challenge, according to shortage of skill. In this regard the inclusion of qualified professionals in the labor market and become a major task for policy makers is important that this work has multiple dimensions and the need for social integration and engineering plans (11)the present research observes some of the affecting factors on studied company with an entrepreneurial approach. According to definition of

regarding company, it could be asserted that: it is a company formed by two or more people ad each shareholder without dividing the investment to a share or share section are liable to the amount of their capital. At first it could be said at least 2 people were seeking for profiting and create the activity lead to entrepreneurship so according to available policies in the company hired experts and required personnel. Target Company launched the activity with 10 investors and an executive manager. The company has three main areas: technical and computer engineering, administrative services-technical, electrical engineering and financial services and accounting. According to following organizational structure, following personnel are needed.

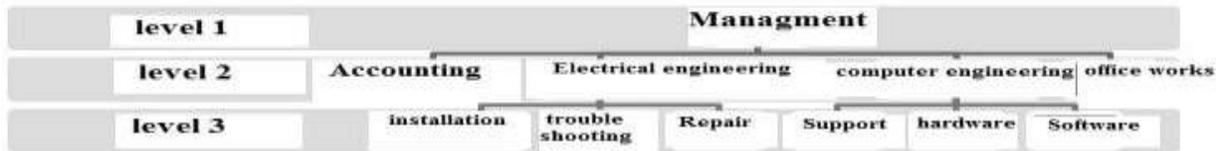


Diagram 1-organizational structure

To explain the activities of level 3that is related to the computer technical and engineering section following items could be mentioned: Hardware, software, wireless and non-wireless networks, computer equipment, programming, website programming, network and Internet domain registration and hosting, central high-speed Internet equipment, upgrading computer systems, assembly, manufacture of automation software and required systems, buy and sell and after sales service of computer systems, sales, export and import of all authorized goods related to activities by obtaining loans and foreign exchange facilities of all banks and financial institutions and public and private credit at home and abroad, to participate in tenders and auctions in public and private sectors, participate in local and international exhibitions.

In explaining the activities of level 3 that is related to the Electrical engineering and technical section following items could be mentioned: A variety of weak, medium voltage AC, DC electrical panels , inverter boards (such as UPS), and single-phase and three phase chargers, electrometer and pumps, all kinds of transformers and power distribution, medium and low ground and air pressure lines, cabling low and medium air and ground pressure line, a variety of single and three phase electricity meters, A variety of lighting and lamps, Electronic and electrical appliances, security systems, including CCTV, fire alarm, perimeter protection, alarms, explosion-proof switches, intelligent lighting and emergency lights, all power for

residential, commercial and industrial (single-phase, three-phase, surface-mounted and embedded), elevator, escalator and automatic door and electric shutters, gates shops, A variety of protective relays, A variety of programmable systems, Control systems such as DCS, PLC, LOGO, low and medium voltage substations and high-voltage (decreasing, increasing and switching), phone (Central), A variety of electrical maps, A variety of reactive power controllers (such as installing capacitors and launch it), LED boards, installing ventilation systems, heating and cooling, lightning line earthing.

In explaining the activities of level 2 that is related to the financial and accounting services section it could be asserted that: deal with all matters related to accounting financial and tax services and advisory, arranging and writing legal offices and declarations (function and the value added), the financial statements for quarterly transactions and payroll, for natural and legal persons. Over the past few decades was assumed that young people after ending education should be hired by one of the governmental or private section and in case of not being hired in mentioned organization, in spite of being potential and having educational experiences, inevitably got unemployed or worked daily.(12) after this description , by considering the explanation of existing activities in targeted company and according to existing imagination in last decades , fixed and variable staff can be found in Table 1:

Table1- The number of fixed and variable experts

The number of regular staffs	The number of variable experts	The number of fixed experts	
30	25	10	Level 2
30	20	12	Level 3
60	45	22	Total

According to the assessment of population based on Iran statistical center of Rodsar was equal to 49009 and total number of experts and regular staffs was 127 according to table 1. Since the development of entrepreneurship in communities, is possible with the support of state and government and the theory of entrepreneurial government as a new model of management in developed countries emphasize on efficacy enhance, focus on

outputs rather than data, creativity and innovation, structural flexibility, reducing the size of government agencies , emerged modern chapter in related literature to the organizations that is based on the entrepreneurial axis.(13)in table 2 Performance Based on increasing the amount of work in the company is studied.

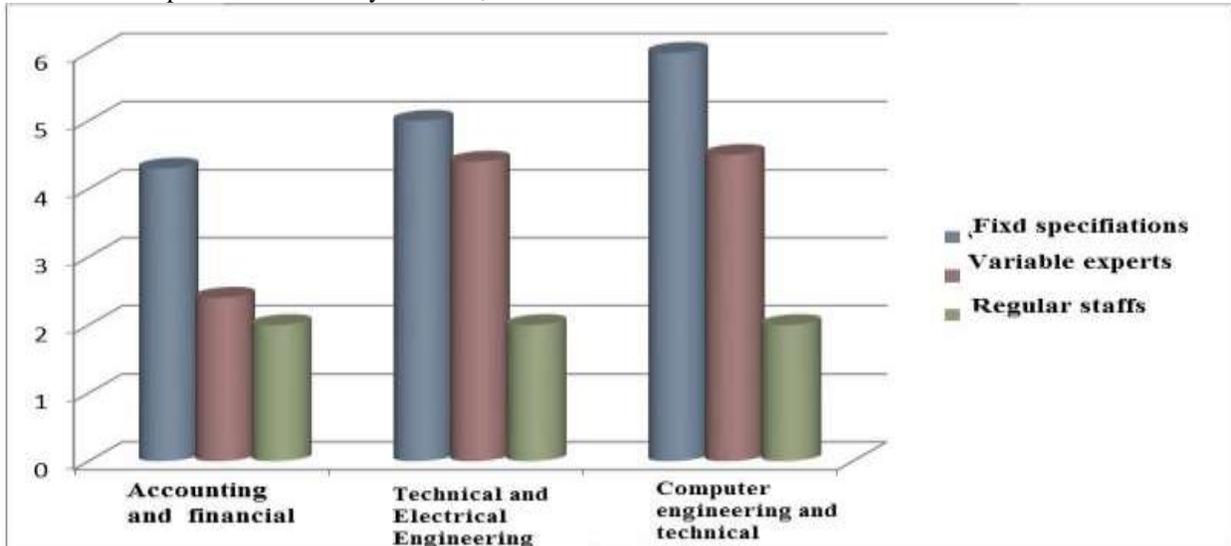


Diagram2. Work rate increase

In the any organization due to changes in the labor market ,organizational learning need to be considered , as divine religions, especially Islam, have had a strong emphasis on education and learning, so that the first verses revealed to the Prophet (PBUH) in Surah Alaq is on teaching and learning and its importance stressed. Organizational learning was first defined by March, to the early 1990s provided a new definition, has been discussed and analyzed by management experts. Organizational learning is more than the sum of individual learning, means learning ability wouldn't be removed by getting out of the organization. Organizational learning means the learning of the individuals and group in the organization and receiving organization means organization learning as general system.(14)

Organizational learning can be summarized into two types, namely:

A) Entrepreneurial learning within the organization, which is seen in two ways: first, as a technical process where learning is considered as effective processing, interpretation and faster response to internal and external information. In the second approach learning as a social process, learning is considered as result and social interaction field in information processing explicitly. In internal organizational entrepreneurial learning focus is on recognizing opportunities and taking advantage of it as the basis for entrepreneurial action.

B) Interagency entrepreneurial learning: it was discussed in the field of entrepreneurship development as a field of study and key, knowingly transfer and application of theory, methodology from one study to another study could cause Development of creativity in both cases or may the foundations of organizational learning in the field of management has been

proposed, but their use has been limited in the area of entrepreneurship, especially as the theory of entrepreneurship and entrepreneurial learning process requires a learning theory (15) in this regard, the effect of official and non-official levels of entrepreneurship could be pointed , in the way that increase of official entrepreneurship in higher education with the result of higher self-confident, lower perceived risk and human capital increase could be considered. Among the other effective scopes on entrepreneurship, Needs in the geographical environment of the institution could be named to see whether long-term or mid-term planning could provide benefits of institute. In this regard, financial strategy to provide the needs of the experts or regular staffs that identifies a framework to guide the nature and plan financial decisions of the organization. Therefore, financial strategy of dynamic and related set is from reactions and responses which are taken based on different environmental conditions and reactions of other organizations in the environment. Since the environment is constantly changing so the made decision should be based on the most recent data continually assessed and revised whether the company is assessed monthly or according to mid-term road map set out in board meetings that is done as a brainstorming and in case of necessity would be rectified. In this regard, the investors consider financial condition as the only factor or criteria for determining competitive situation. To explain strategies in effective manner, the strengths and weaknesses of the organization should be determined financially. Liquidity, the amount of the loan, working capital, profitability, efficient use of assets, cash flows and the income of the shareholders could somehow be ruled out that some of the strategies and couldn't be considered as a possible option. Most of the time Financial

factors are causing the current strategies and operational programs change, thus in the entrepreneurship strategy can be considered as the basis of management strategy so the entrepreneurship strategy is a new approach in the management literature as a necessity for companies to create maximum wealth (17).

Some of the consequences that arise with the creation of entrepreneurship in the surveyed companies include:

A) Employment: Technology transfer, encourage investment, knowledge, develop new markets, increase welfare, organized and effective use of resources. Entrepreneurship, the basis of the formation of the new economy, at the beginning of the third millennium has witnessed a dramatic transformation. IT revolution and change the composition of the labor force in favor of a knowledge-based forces, including the changes.

B) Economic growth: The main feature of today's economy is rapid change, so the countries which are higher in entrepreneurial activity, are able to gain a better position in the world economy.

C) Create new industries: Many of the new industries are created because of consequences of entrepreneurship. Industries such as; personal computers, biotechnology, cable television, software products including new oil products, wireless communications services, voice mail, cell phones, online stores, digital media, etc. are among the important issues could be surveyed in entrepreneurship of economic aspects of business and individual psychological characteristics and social factors and the role of government in teaching entrepreneurship and the role of small companies, strategy and organizational factors of IT technology would be the key element of development and in terms of economic development and sustainable development planning is important.

In diagram 3, the consequences of creating entrepreneurship based on the above cases could be seen before and after the establishment of the company that indicates growth in employment, the economy and create new industries on a scale of 0.1.

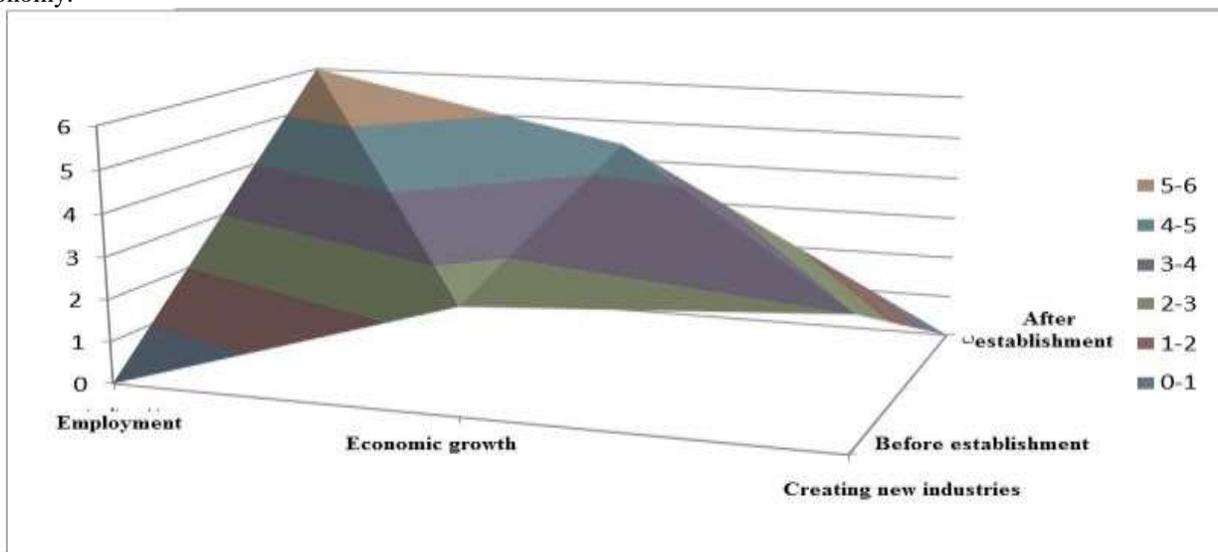


Diagram3: the consequences of creating entrepreneurship before and after the establishment of the company

Conclusion

The survival of the organizations in future is fully dependent upon entrepreneurship promotion, creativity and innovation in different fields. Entrepreneurship and paying attention to is the main term in developing each countries, so in different countries, there is special attention to the entrepreneurship and entrepreneurs. According to the done research, it could be asserted that entrepreneurship in sparsely populated counties could help the city progress and finally the province. On the other hand, unemployment problem of educated population is one of the most important problems of Gilan province that could be removed to some extent in proportion to company organizational structure. Small businesses need small investment so are having extreme flexibility in the face of market changes and faster than big business can change their conditions. In the other hand, it could be asserted that: Establish and support such companies not only can help privatization, but could cause the right atmosphere for economic growth in the external

environment and technological progress in the fields of business enterprise.

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