

Identification of determinant factors on corporate entrepreneurship and its role in implantation of entrepreneurship strategy (Case Study: Aghajari Oil and Gas Production Company)

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Abstract

The present research aims to identify determinant factors on corporate entrepreneurship and its role in implantation of entrepreneurship strategy (case study: Aghajari Oil and Gas Production Company). This study is a descriptive-survey and cross-sectional in terms of timeline. The study subjects include 7592 staffs working at Aghajari Oil and Gas Production Company employees of which using Cochran formula 365 staffs were selected. Research instrument is a standard questionnaire. To measure questionnaire validity and reliability, content analysis and Cronbach's alpha coefficient (0.83) were used respectively. Data analysis was performed in PLS and SPSS software and the same time, path coefficient, coefficient of determination, structural reliability coefficient (CR), f^2 Cohen coefficient and t test was used to data analysis. The results showed that locus of control, risk taking, need to success, tolerance of ambiguity, and delegation of authority, flexibility, appropriate reward systems, organizational culture, organizational learning and management support have significant impact on implementing entrepreneurship strategies in Aghajari Oil and Gas Production Company.

Key Words: corporate entrepreneurship, entrepreneurship strategy, entrepreneurship personal factors, corporate features.

Introduction

Given that at present much knowledge based organizations compete intensively, to reflect on how such organizations work is of great importance. Corporate entrepreneurship was led to a very simple issue. Adopting that and by encouraging staff and persuading them for corporate entrepreneurship in order to increase their productivity in absence of cumbersome laws and implement their plans (Duncan, et al., 1994). Paving the grounds for entrepreneurship institutionalization in organizations and, accordingly, corporate entrepreneurship through organizational factors helps maintaining the flexibility to respond to drastic changes and accelerated environmental and ability to have a good idea in any situation,. In fact researchers seek

to pave way for the implementation of corporate entrepreneurship (Kuratko, 2009). Research suggests that organizational factors play an important role in the implementation of corporate entrepreneurship (Covin & Slevin, 1991). Organization's environmental conditions and demands, opportunities and threat have made strategic decision-making as a key element (Mazzarol & Reboud, 2006). Entrepreneurship is an important strategic path that generally make sense in corporate entrepreneurship and in this way, decisions can be managed so that under uncertainty can adapt to a changing environment. Essentially there is a symbolic relationship between strategic management entrepreneurs (Ireland, 2007). Pioneer corporates due to the inability in adapting to environmental changes or disability because of the failure to bring about change have been eliminated (Hunger, 2007). Strategy is means that organizations can use it to achieve their goal. Corporate strategy can be served as supply, costs reduction, new technology, fixed assets (Sadatipour et al., 2007). Also to cope compete in today's world of management theory suggests that to succeed in creating a strategy, it is vital entrepreneurial approach (Gategory et al., 1997). The process of entrepreneurship plays an important role in innovation strategies. Having such an approach makes staffs seek new opportunities in the market for customer satisfaction. Innovation is a multi-dimensional concept that deal with products, processes, technology, and management. Innovation manifest in new products or new processes include finding new ways to organize, manages or identify new markets for the Company's products and services (Marzoul and Riboud, 2006). The present research aims to address this question that what is role of corporate entrepreneurship in implantation of entrepreneurship strategy?

Methodology

Given that in this study library and literature review as well as field questionnaires were used aiming to identify the traits, preferences, attributes and behavior of individuals by survey them, it can be noted that this study is descriptive based on the nature and research method.

Subjects, sampling method and sample size

According to the description given in the target population, given spatial and temporal scale of study, study population included oil and gas exploitation company employees 7592 Aghajari Oil and Gas Production Company with different ages and gender, which have common characteristics. There are several techniques for determining the sample size strictest methods, including mathematical methods to calculate sample size. If the variables (questions) are interval type and population size is limited to the following equation used where N is the population size (Momeni, 2007).

$$n = \frac{\frac{z^2 pq}{d^2}}{1 + \frac{1}{N} \left(\frac{z^2 pq}{d^2} - 1 \right)}$$

Error level in Human Sciences Research is usually 0.05.

According to sample size 365 questionnaires were distributed among staffs and experts.

Instrument

Standard questionnaires of Krakow, Hornzbiou Nafziger (2004), Cornwall and Perlman (1995), Ecoles (2007) were used.

Table 1: Questionnaire specifications

Dimension	Items	Scale
Individual factors entrepreneurship	62	Nominal
Organizational factors	20	Nominal
Entrepreneurial strategy	6	Nominal

Likert scale in table (1) is an interval by which respondent represents his attitudes and beliefs about the phenomenon or topic and so the researcher will be able to determine respondent attitude.

Questionnaires validity and reliability

Internal consistency reliability: internal consistency reliability is first measure in reflective measurement models. Alpha is a classic index to analyze the reliability and the internal consistency. Acceptable alpha coefficient varies according to scholars. Some researchers know that alpha coefficient above 0.6 and some believe that 0.7 has acceptable reliability. The results of Cronbach's alpha values for the main variables of the model are presented in table below:

Table 2: Internal consistency reliability value

Variables	Cronbach's alpha
Corporate entrepreneurship	0.8394
Locus of control	0.7692
Risk taking	0.7451

Tolerance of ambiguity	0.7231
Need to success	0.7119
Flexibility	0.7099
Delegation of authority	0.8271
Organizational Learning	0.8197
Reward system	0.7937
Organizational culture	0.8076
Management support	0.8114

Data Analysis method

Kolmogorov - Smirnov test for normality of data distribution, analysis of variance to determine the significance of difference between variables, Friedman test for significant differences between the study variables and population mean test were adopted to determine the relationship between variables and test research hypotheses.

Main hypothesis

Corporate entrepreneurship has a significant effect on implantation of entrepreneurship strategy

H0: Corporate entrepreneurship has not significant effect on implantation of entrepreneurship strategy

H1: Corporate entrepreneurship has a significant effect on implantation of entrepreneurship strategy

According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), corporate entrepreneurship has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ±1.96). Given path coefficient it can be noted that corporate entrepreneurship has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more corporate entrepreneurship, the entrepreneurship strategy and vice versa.

Table 3: Direct effects, t-statistics and results of main hypothesis

Hypothesis	Path coefficient(β)	T-statistic	Results hypothesis
Corporate entrepreneurship→ implantation of entrepreneurship strategy	0.665	3.258	Confirmation

Secondary hypotheses

First hypothesis

Locus of control has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), locus of control has a significant effect on implantation of entrepreneurship strategy (t-statistic

is out of ± 1.96). Given path coefficient it can be noted that locus of control has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more locus of control, implementation of entrepreneurship strategy and vice versa.

Table 4: Direct effects, t-statistics and results of secondary hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Locus of control \rightarrow implantation of entrepreneurship strategy	0.650	13.650	Confirmation

Second hypothesis

Risk taking has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), risk taking has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ± 1.96). Given path coefficient it can be noted that risk taking has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more risk taking, implementation of entrepreneurship strategy and vice versa.

Table 5: Direct effects, t-statistics and results of secondary hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Risk taking \rightarrow implantation of entrepreneurship strategy	0.705	10.705	Confirmation

Third hypothesis

Tolerance of ambiguity has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), tolerance of ambiguity has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ± 1.96). Given path coefficient it can be noted that tolerance of ambiguity has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more tolerance of ambiguity, implementation of entrepreneurship strategy and vice versa.

Table 6: Direct effects, t-statistics and results of third hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Tolerance of ambiguity \rightarrow implantation of entrepreneurship strategy	0.610	2.610	Confirmation

Fourth hypothesis

Need to success has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), Need to success has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ± 1.96). Given path coefficient it can be noted that Need to success has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more Need to success, implementation of entrepreneurship strategy and vice versa.

Table 7: Direct effects, t-statistics and results of fourth hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Need to success \rightarrow implantation of entrepreneurship strategy	0.694	10.694	Confirmation

Fifth hypothesis

Flexibility has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), flexibility has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ± 1.96). Given path coefficient it can be noted that flexibility has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more flexibility, implementation of entrepreneurship strategy and vice versa.

Table 8: Direct effects, t-statistics and results of fifth hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Flexibility \rightarrow implantation of entrepreneurship strategy	0.694	10.694	Confirmation

Flexibility→ implantation of entrepreneurs hip strategy	0.699	13.699	Confirmati on
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Sixth hypothesis

Delegation of authority has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), delegation of authority has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ±1.96). Given path coefficient it can be noted that delegation of authority has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more delegation of authority, implementation of entrepreneurship strategy and vice versa.

Table 9: Direct effects, t-statistics and results of sixth hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Delegation of authority→ implantation of entrepreneurship strategy	0.610	2.610	Confirmati on

Seventh hypothesis

Organizational Learning has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), organizational learning has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ±1.96). Given path coefficient it can be noted that organizational learning has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more organizational learning, implementation of entrepreneurship strategy and vice versa.

Table 10: Direct effects, t-statistics and results of seventh hypothesis

Hypothesis	Path coefficient t(β)	T-statistic	Results hypothesis
Organizational Learning→ implantation of entrepreneurs hip strategy	0.616	3.618	Confirmati on

Eighth hypothesis

Reward system has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), reward system has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ±1.96). Given path coefficient it can be noted that Reward system has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more Reward system, implementation of entrepreneurship strategy and vice versa.

Table 11: Direct effects, t-statistics and results of eighth hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Reward system→ implantation of entrepreneurship strategy	0.625	3.625	Confirmati on

Ninth hypothesis

Organizational culture has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research model and significance coefficients of hypotheses), organizational culture has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ±1.96). Given path coefficient it can be noted that organizational culture has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more organizational culture, implementation of entrepreneurship strategy and vice versa.

Table 12: Direct effects, t-statistics and results of ninth hypothesis

Hypothesis	Path coefficient t(β)	T-statistic	Results hypothesis
Organizational culture→ implantation of entrepreneurs hip strategy	0.665	12.665	Confirmati on

Tenth hypothesis

Management support has a significant effect on implantation of entrepreneurship strategy. According to the results of path coefficient and t statistic in the table below and in figures (research

model and significance coefficients of hypotheses), management support has a significant effect on implantation of entrepreneurship strategy (t-statistic is out of ± 1.96). Given path coefficient it can be noted that management support has a significant effect on implantation of entrepreneurship strategy, because the path coefficient is positive. So the more management support, implementation of entrepreneurship strategy and vice versa.

Table 13: Direct effects, t-statistics and results of tenth hypothesis

Hypothesis	Path coefficient (β)	T-statistic	Results hypothesis
Management support \rightarrow implantation of entrepreneurship strategy	0.632	5.632	Confirmation

Results of research hypotheses

Following table present results of research hypotheses

Results of inferential statistic

The present research seeks to answer one main hypothesis and ten sub-hypotheses:

Main hypothesis

Corporate entrepreneurship has a significant effect on implantation of entrepreneurship strategy. This hypothesis was confirmed. Results from path coefficient test and t statistic to address this hypothesis, showed that corporate entrepreneurship has apposite and significant effect on implantation of entrepreneurship strategy. This is in line with findings of Yazdani Amirkhani et al(2011), Ushakasraee et al(2011), Alimardani(2009), Kordneej(2009), Moghli(2009), Gholamian(2006), Mirzaee Ahranjani and Moghimi(2003), Heidary al(2011), Zali and Mehdivand(2010), Kamalian et al(2010), Rabins (2008), Jogaratnam and YaykTesteh(2006), Lano(2005) and Huges and Morgan(2006).

First to fourth Hypotheses:

Locus of control, risk taking, need to success and tolerance of ambiguity have a significant effect on implantation of entrepreneurship strategy. This hypothesis was confirmed. Results from path coefficient test and t statistic to address this hypothesis, showed that Locus of control, risk taking, need to success and tolerance of ambiguity have apposite and significant effect on implantation of entrepreneurship strategy. This is in line with findings of Yazdani Amirkhani et al(2011), Ushakasraee et al(2011), Alimardani(2009), Kordneej(2009), Moghli(2009), Gholamian(2006), Mirzaee Ahranjani and Moghimi(2003), Heidary al(2011), Zali and Mehdivand(2010), Kamalian et al(2010), Rabins(2008), Jogaratnam and

YaykTesteh(2006), Lano(2005) and Huges and Morgan(2006).

Fifth to tenth hypotheses:

Delegation of authority, flexibility, reward system, organizational learning and management support have a significant effect on implantation of entrepreneurship strategy. This hypotheses were confirmed. Results from path coefficient test and t statistic to address this hypothesis, showed that Delegation of authority, flexibility, reward system, organizational learning and management support ppositive and significant effect on implantation of entrepreneurship strategy. This is in line with findings of Yazdani Amirkhani et al(2011), Ushakasraee et al(2011), Alimardani(2009), Kordneej(2009), Moghli(2009), Gholamian(2006), Mirzaee Ahranjani and Moghimi(2003), Heidariet al(2011), Zali and Mehdivand(2010), Kamalian et al(2010), Rabins(2008), Jogaratnam and YaykTesteh(2006), Lano(2005) and Huges and Morgan(2006).

Practical recommendations

1. Given that locus of control, risk taking, need to success and tolerance of ambiguity have a significant effect on implantation of entrepreneurship strategy it is suggested to: In carrying out the duties of staff be asked to take reasonable risks, prepare individuals to create innovations and to be given the necessary powers, appropriate reward for successful people, make collaborative management for staff to achieve goals.
2. Given that delegation of authority, flexibility, reward system, organizational learning and management support have a significant effect on implantation of entrepreneurship strategy, the organization must have a flexible organizational structure employee participation in important decisions in the new work processes that may be useful for the organization as a whole. Should normally be shared to all employee. To creating a system that allows learning from good practice from other organizations to provide support of entrepreneurs. Organizational structure should be such that promote entrepreneurial activity.

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