# The Study of Relationship between Rural Administrator's Entrepreneurial Skills and Organizational Performance

(Case study: Qazvin Rural Administration Province)

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#### **Extended Abstract**

# Introduction

The Experts believe that the Entrepreneurs are powerful engines of economic growth and Producing wealth, and crucial for improving the quality, number and variety of employment opportunities for the poor People as well as the villagers. In this situation, one of the best solutions for unemployment and progress of economic base of villagers is developing small scale businesses in rural areas. In this relation Dehyaries as rural administrators (RD) and potential entrepreneurs can play important roles in creating new opportunities and income resources in rural areas. Therefore, the purpose of this paper was identifying the relationship between entrepreneurial skills of rural administrators and rural administration's performance and personal characteristics of rural administrators in Qazvin province. Research questions of this study were:

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- 1. What is the level of entrepreneurial skills rural administrators?
- 2. What relation exists between manager's entrepreneurial skills and rural administrator's performances?
- 3. Are there a kind relation between individual characteristics of managers and their entrepreneurial skills?

# Methodology

This study is an applied research that is conducted using survey method. The statistical population study included all of the rural administrators of Qazvin province in 2010 that were active in fiscal year 2009. According to the Qazvin Governor, the number of rural administrator's provinces in the year was 32 ORDs. In order to estimate and determine the sample size, the Cochran statistic was used and the sample size, 116 RDs was calculated. In order to increase the validity of results, statistical population size was increased to 125. People were selected using multistage stratified sampling with optimal allocation method. Sampling, the list of active RDs was used. Independent variables in this research were include performance indicators and variables of RD's individual characteristics such as age, education, income level, participation in training, family income, gender entrepreneurs and participation in social activities and the dependent variable, was the level of RD's entrepreneurial skills. The studies were conducted to evaluate the validity and reliability measures, their reliability and validity were confirmed. To assess the validity of the questionnaire scales, after qualifying and the early editions, were used the opinion of a group of experts. In this stage, four questions were removed from the set of questions. Also Cronbach's alpha statistic was used to assess the validity of the scale factor. Coefficient of 0.77 indicates acceptable internal consistency of the used questionnaires.

#### Results

The results showed that the RD's average skill of entrepreneurship was 3.246 (medium high) and the average technical, personal and management skills were respectively 3.326, 3.311 and 3.299. On this basis it can be concluded that Average triple skills and total entrepreneurial skills of RD's are in average level. RD's Performance evaluation results showed that the average performance of RDs is 53.06 percent. The results frequency distribution show that 16 percent of RDs have a poor performance, 48 percent of average performance, 34.4 percent with strong performance, and finally only 1.6 percent had a very strong performance. In order to investigate the relationship between potential entrepreneurship and the entrepreneurial individual variables, Pearson Spearman correlation analysis was used. Results showed that there is a significant positive relationship between entrepreneurial skills and performance RDs. In other words, RDs who have higher entrepreneurial spirit, they have better organizational performance. Also between education, participation in social activities, participation intraining courses, income of the entrepreneur and his family, and interact with relevant institutions and organizations, there has been observed a significant positive relationship. Also, in order to assess the variables role of gender, marital status and occupation of parents having a nominal scale, T and F tests have been used. T tests for gender and marital status variables that are binary variables and one-way analysis of variance test for occupation of parents that is multi-state variable was used. The results of these four variables showed that marital status, gender, the occupation of parents has/ no impact on their entrepreneurial skills. With regard to the results of results, entrepreneurship skills of RDs aren't acceptable levels, and it is necessary to enhance the entrepreneurial spirit and strengthening the economic diversification of rural economic activities, identifying and implementing effective measures to enhance the capabilities and potential of individuals, entrepreneurs and entrepreneurship.

## Conclusion

In this context, paying more serious attention is recommended in order to create a competitive spirit and entrepreneurial skills training, field activities, to be held and in selecting managers, education level, experience and skills and the extent of their participation in activities and social institutions.

**Keywords**: Entrepreneurship, Entrepreneurial expertise Dehyars, Dehyari's operation, Rural Development.