

Research Paper

Identifying and Prioritizing Effective Factors in Creating Rural Enterprises Clusters in Choram Township

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ABSTRACT

The main goal of the current study was to identify and prioritize effective factors in creating enterprise clusters in Choram county using analytic hierarchy process (AHP). A descriptive-survey method was used for the study. Statistical population included experts who had field experience in the business clusters in Choram county. Purposeful sampling method was used and finally 44 experts were selected to complete the questionnaires. The instrument used for collecting data was structured interview using AI Saati nine order professional questionnaire. The validity of the questionnaire was determined by the expert opinions of the university professors and experts. The reliability of the questionnaire was assured by considering incompatibility of decision matrices due to the judgment of each respondent. The statistical software, SPSS 23 and Expert Choice 11 were used for analyzing data. According to considered criteria in this research, economic factor was the most important factor and infrastructure factor was the least important criterion for creating business clusters in Choram County.

Extended Abstract**1. Introduction**

Economists have already found that special locations are suitable for special activities and also companies involved in same or related activities intend to cluster. Profiting of industrial clusters has been known as one of the most important and successful industrial and regional approaches that has attracted policy makers of developing and developed countries. An industrial cluster includes commercial and non-commercial institutions concentrated in a geographical and economic region that make horizontal

and vertical relationships for producing one or more same final product(s) and despite competition, they do collective work and have common measures in most cases. Business clusters, besides producer firms that are the main cluster activists, include suppliers, buyers, sub-contractors, exporters, machine tools and parts, various supply institutions, and public services that facilitate directly and or indirectly production in a cluster. Furthermore, it also includes other groups of activists such as unions and associations that are business encouragers in various parts. According to this idea, business clusters in rural regions can have economic effects (such as employment, producing products, delivery services, cooperation and network, added value, and multiplier effect), social effects (such as interaction with the community, local

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and community development, providing training opportunities, and the last support and supply), and environmental effects (such as environmental awareness and environment protection). Internal communications of these institutes will lead to decrease in costs and facilitate access to the inputs, production knowledge and technology, sale markets, and costumers' needs. Because in business clustering, the importance of each effective factors is different from one region to another, recognition of these factors is essential and the most important issues that planners need. Therefore, the main goal of the current study was to identify and prioritize effective factors on creating enterprise clusters in Choram County using hierarchy analytic process.

2. Methodology

Analytic hierarchy process (AHP) is one of the decision making methods with multi-index that is applied to compare various options. This method was invented by Tomas L Saaty in 1980. This research is practical with respect to its goal, and a field research with respect to the control level of parameters. It is a descriptive research based on data monitoring and it will be profited from mensuration besides the descriptive methods. Required data in this research were collected via structured interview by using Tomas L Saaty questionnaire. Statistical population included managers and planners, employers of industrial estate, technical experts, and main producers and products exporters in Choram Township that targeted sampling method was used because of the wide range of the research. The criteria were obtained using review references and interview with province planning managers. Accordingly, criteria of economic, environmental, government infrastructures, and strategic factors and then sub-criteria were identified. Then the hierarchy of the research subject was designed and accordingly this questionnaire was provided. After design, the validity of questionnaire was confirmed by specialist opinions of one instructor and two regional experts. By considering the incompatibility of the decision matrices obtained from judgment of each responder, we were assured of the stability of obtained results from questionnaire. In the next step, a list of experts (who are active in Choram Township) with high education was prepared. Finally, 45 experts were selected for completing the questionnaires. The obtained results were analyzed using Expert Choice 11 software.

3. Results

According to the collected information, the mean age of the responders was 37 years old that 73.3% of them were men and 26.3% were women. Furthermore, the youngest and oldest responders were 27 and 57 years old, respectively. About 13.2% of the studied people

were graduated in associate degree, 47.4% in bachelor and 39.5% in masters and PhD degrees. The education range of them fluctuated from associate degree to PhD. Comparing result of various factors showed that the economic criterion had the maximum score (0.365) and so the maximum effect on clustering in the region. The governmental strategy and environmental factors were in the next rank, respectively and infrastructure criterion was located in last rank with score of 0.120. Therefore, the criteria of economic and infrastructure had the maximum and minimum significance for creating business clusters in Choram Township.

4. Discussion

Therefore, the criteria of economic and infrastructure had the maximum and minimum significance for creating business clusters in Choram Township. Incompatibility rate of bigeminal criteria comparisons was 0.6 compared to the target value that was smaller than 0.1. Thus, the compatibility of matrices of the bigeminal comparisons is acceptable and don't need to be reconsidered.

5. Conclusion

Results according to considered criteria in this research showed that economic factor was the most important factor in creating business clusters in Choram County. Comparison of economic sub-criteria showed that demand for rural production in national and local markets was the most important sub criterion in economic factor. Thus one of the main activities for creating business clusters is development of markets for handmade products. Also markets of handicrafts should be supported by governmental organizations and private sectors. It is recommended that in addition to common marketing activities, e-marketing and local exhibitions should be developed.