

Research Paper

The Effect of Organizational Entrepreneurship Orientation on the Performance of Cooperatives From the Perspective of Poultry Cooperatives Members in Kermanshah Province, Iran

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ABSTRACT

Considering the role of agricultural cooperatives on rural and agricultural development, identifying and analyzing the factors affecting the performance of cooperatives, especially with regard to entrepreneurship are essential. The purpose of this article is to study the effect(s) of entrepreneurship on agricultural cooperatives performance. The study population consisted of poultry cooperatives members of Kermanshah Province, Iran (N=1012). Of them, a sample of 220 respondents was selected using Cochran's formula by stratified random sampling method. To collect data, a researcher-made questionnaire was used. The validity of the questionnaire was determined by faculty members of universities of Tehran, Lorestan and agricultural cooperatives experts in Kermanshah Province. The Cronbach α was used to estimate the questionnaire reliability, which was found to be acceptable ($\alpha_2=0.88$, $\alpha_3=0.80$). The data were analyzed using descriptive and inferential statistics, using SPSS20. The results revealed that entrepreneurship had a significant and positive effect on the performance of cooperatives. Also, the multivariate regression analysis with stepwise method showed that Regression to go three steps forward and about 37% of the changes be explained. Therefore, we recommend that managers of the agricultural cooperatives take measures to develop and promote entrepreneurship component in their cooperatives to achieve sustainable rural development.

Key words:

Entrepreneurship, Cooperatives performance, Rural development

Extended Abstract**1. Introduction**

Considering the role of agricultural cooperatives in improvement of products as well as increased income, employment, satisfying basic needs and fair distribution of facilities in rural areas,

their proper performance to further develop and improve the rural economic situation is essential. In other words, increasing the performance of this cooperatives leads to rural sustainable development.

Several studies indicate that the organizational entrepreneurship orientation has positive effect on survival, profitability, growth and especially the performance of the company. It enables firms to take advantage of their cur-

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rent competitive market and simultaneously identify new opportunities and more efficiency to thrive in it. Enterprises are greatly in need of entrepreneurial activities and development to increase their performance with respect to changes in organizational environment situation. In such circumstances, many scholars and experts believe that the development of organizational entrepreneurship orientation in agricultural cooperatives can play a vital role in helping improve the performance of cooperatives for its own purposes. This article aims to identify the effects of organizational entrepreneurship orientation on the performance of cooperatives from the perspective of poultry cooperatives members in Kermanshah Province, Iran.

Studies on entrepreneurship in developed economies, especially after 1990s show that entrepreneurial activity in various firms has led to the development and improvement of their performance. Organizational entrepreneurship orientation also known as corporate entrepreneurship and corporate venturing is the practice of developing a new venture within an existing organization, to exploit a new opportunity and create economic value. In world literature, terms such as innovation, risk-taking, pro-activeness and strategic renewal are key dimensions of the organizational entrepreneurship orientation phenomenon. Based on the conceptual model, the main hypotheses of this study are as follows: 1. there is a Significant positive relationship between innovation and agricultural cooperatives performance; 2. there is a Significant positive relationship between the pro-activeness and agricultural cooperatives performance; 3. there is a Significant positive relationship between risk-taking and agricultural cooperatives performance; and 4. there is a Significant positive relationship between the strategic renewal and agricultural cooperatives performance.

2. Methodology

The research paradigm is quantitative and its objective is functional and cross-correlation of research and in terms of time but is a cross sectional research. The study population comprised poultry cooperatives members in Kermanshah Province, Iran (N=1012). A sample of 220 respondents was selected using Cochran's formula by stratified random sampling method. For collecting the research data, a researcher-made questionnaire with three sections was used. The first part of the questionnaire examines the characteristics of individual respondents; the second part, checks the characteristics of organizational entrepreneurship orientation in the cooperative, which is adapted from the standard questionnaire (Antonicic & Hisrich, 2001; Scheepers et al., 2008); and finally the

third part that checks the performance of cooperatives. Questionnaire validity was confirmed by expert panel consisting of the subject related faculty members of universities of Tehran and Lorestan as well as experts active in Kermanshah Province Cooperatives, Labor and Social Welfare bureau. The Cronbach α was used to estimate the reliability, which was acceptable ($\alpha_1=0.88$, $\alpha_2=0.80$). In this study the data were analyzed using descriptive and inferential statistics, which were conducted using SPSS20 and Excel 2013 software.

3. Results

Although there are several factors affecting the performance of any firms, but existence of corporate entrepreneurs with the aim of advancing, surviving and succeeding the organization by boldness, innovativeness and proactive behaviors is an important and valuable factor. In the field of cooperatives as autonomous organizations, flexible and democratic volunteers in the framework of organizational entrepreneurship orientation can contribute greatly in improving the cooperative performance. The results revealed that mean rank of organizational entrepreneurship orientation situation of cooperatives is moderate (3.24) and performance means is moderate (3.1), too. Also, there are a positive and Sig.nificant correlation between organizational entrepreneurship orientation dimensions with the performance of cooperatives.

4. Discussion

The organizational entrepreneurship orientation has a positive effect on the cooperatives performance, perhaps due to the existing suitable conditions for the progress of firms such as risk-taking, proactiveness and innovative spirit among the organization staff with the aim of transforming the organizations. Also, according to the regression model, the component of innovation does not enter in the equation. In this context, perhaps the reason is the dominant spirit of innovation among members because the spirit of innovation requires the interaction, ability to communicate with institutions and change in agents. However due to the nature of the dominant agricultural jobs and low educated clients, the use of media channels and publications related to the topic of innovation activity is negligible.

5. Conclusion

The impact of entrepreneurship organizations improves the performance of cooperatives, can be oriented in a board with the importance and the role of entrepreneurship, social work, strengthening to express ideas, benefit-

ing from ideas and long-term risk-taking role in improving the performance, the attitude of managers regarding the phenomenon has been corrected. Therefore, it is recommended that managers of the agricultural cooperatives take measures to develop and promote organizational entrepreneurship orientation in their cooperatives to achieve sustainable rural development.

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Conflict of Interest

The authors declared no conflicts of interest.