

## Relationship between Corporate Entrepreneurship and Job Performance of School Managers

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**Abstract:** Managers, in micro and macro scales, are assigned to administer the primary mechanisms of the society. Their activities are systematically appealed to the performance quality of the organizations. In the present paper, the corporate entrepreneurship, as one of the effective factors in the job performance of managers, is investigated. For this purpose, the relationship between the corporate entrepreneurship and the job performance of the high-school principals of Tonekabon and Ramsar townships were investigated. The research consists of three hypotheses as well as eight sub-hypotheses. The considered population is the total executive managers of these high schools. The method of the research is a census-based survey. The data were collected through a questionnaire and the obtained results were analyzed using descriptive statistics (tables mean, median, mode etc.) and inferential statistics (one-way variance analysis, Pearson's correlation, T-test). Pearson's correlation was used for the first hypothesis and it was found that there is no relationship between corporate entrepreneurship and job performance. The demographic features were analyzed in the second hypothesis. In total, it was found that there is no significant relationship between the job performance of the principals and the family status, education, age and gender. Further, there is no significant relationship between the corporate entrepreneurship of principals in different family status and gender; however, they are related to education and age.

**Keywords:** Corporate entrepreneurship, demography, job performance psychology

### INTRODUCTION

The today society's trends and developments are too fast that the future forecasting is not easy, if not impossible. The movement of the nations towards integration in economic and cultural areas and the phenomenon of globalization have affected the economy as well as business patterns and social processes all over the world. Under the shadow of these changes and developments, the procedure of employment and its criteria in different countries is changing; the organizations no longer seek for the permanent hiring of employees. The nature of changes and developments in the job and professional world is as such that the continuous need for the acquisition of new knowledge and skill in any job seems to be necessary. On the other hand, globalization and the fast spread of information lead to the more serious competition among the organizations and companies (Hornsby *et al.*, 2002). Management intellectuals, psychologists and sociologists investigate the organizations and the management within them from several standpoints. Education administration is one of the social entities, which as a broad and important organization significantly affects the lives of people. To have entrepreneur managers, decision-makers and

employees primarily calls for the instruction of entrepreneurship to them so that they can use as much of the available resources as possible for more innovation and, as a result, grow faster and remain in the competition filed. Thus, the knowledge of entrepreneurship and awareness about its principles is necessary for the principals of education centers as well as teachers, who are the cornerstone of the learning in the society (Joibari, 2011).

### LITERATURE REVIEW

Entrepreneurs are considered as the leaders and the key factors for development. They are the people who make the history. They are those people who have built their lives upon creation, innovation, activeness, love to work, consistent effort, taking risks, foresight, creating values, seeking opportunities, need to grow and compete. The growth and progress of any nation depends on both the quantity and quality of its country. Management and principals in education systems have particular importance. The managers are the valuable assets of the organizations. In Iran, entrepreneurship and its training, was discussed about 14 years ago in education system and was included in the curriculum. The authors attempted to

Table 1: Comparison between characteristics of independent and corporate entrepreneurs

Characteristic	Independent entrepreneur	Corporate entrepreneur
Tendency towards power	It is almost zero.	It is the primary and most important tendency for some.
Tendency towards economic welfare	Since provides independence for them, it is very important. 21% believe the tendency to welfare and wealth as the primary motivation.	They believe economic welfare and wealth as necessary for the establishment of security in the world. They seek for this need more than the other group.
Need to success	46% of entrepreneurs feel a great need to success that believes it is the result of their childhood and great impact of their parents on them and try to show to others that they have built the world based on their wish.	46% of this group also feel a great need for success and seek to prove they work better than their predecessor does.
Need for independence	32% believe it as their primary motivation since it directs them towards the achievement of their dreams.	This need is almost moderated in them.
Taking risks	75% believe themselves to be risk-taker	Only 32% call themselves to accept moderated risks and the majority of them call themselves as risk-averse.
Fear to fail	They believe the financial failure as the end of their job life and fear to fail very much.	Failure is not very important in their decisions.
Creativeness	83-85% believe themselves to be creative that start their creativeness with their dreams.	They believe themselves to be less creative than the other group and believe themselves to be responsible for managing and supporting the creativeness of employees.

consider the most recent changes and developments in education and the selection of instruction content of entrepreneurship across the world for the students of high-school level and emphasize on applied and tangible discussions of business (Covin and Miles, 1999). If the education in every society is regarded as one of the most important affairs of that society, based on the same logic, the education management is placed at the same level for the optimization and flowering of the society. Various studies indicate the weak performance of education managers and most of the education problems originate from this weakness (Tschannen-Moran and Hoy, 2000). Educational units are different from each other in achieving their determined goals; however, some differences result from the different job performance of their management despite their resources and facilities being the same. Numerous factors may drive these differences. One of these factors is their difference in their confrontation with issues. The present study attempts to investigate the relationship between corporate entrepreneurship and the job performance of managers.

**Defining entrepreneurship:** Entrepreneurship originates from its French root “Entreprendre” that refers to the sense of taking the liability to do some work. Entrepreneur is the individual who commits to take the responsibility of an organization or the management of a new business that is along with taking risks (Kuratko and Hodgettes, 2001). In the French language, first entrepreneur referred to the individual who organized a music group or other fun and entertainment activities. Then, in early 16<sup>th</sup> century, this sense was used to refer to those individuals who were dispatched to military missions. Gradually and in the 17 century, this word became more prevalent and involved engineering activities such as construction and fortification. Beginning

with the 18<sup>th</sup> century, the term was used for the economic activities too. The entrepreneur concept in this format went through the path of evolution for more than four centuries. From this moment on, the word “entrepreneur” was offered for various activities and in different viewpoint formats (Naman and Slevin, 1993). Since entrepreneurship fall under the concepts of management, it does not have a determined definition and its complete realization calls for an interdisciplinary view (Stevenson and Jarillo, 1990). Some definitions for entrepreneurship are as follows:

- Entrepreneurship is a process that leads to the satisfaction or a new demand. Entrepreneurship refers to the process of creating value through the formation of a unique set of resources in order to implement the opportunities (Zahra *et al.*, 1999).
- Entrepreneurship is a process in which the entrepreneur individual, with new and creative ideas and new opportunities along with the arrangement of resources, proceeds to establish new business and institutes; new, innovative and growing organizations that is together with taking risks and results in the introduction of a new product or service to the society (Lumpkin and Dess, 1996).
- Scholars have offered several classifications for entrepreneurship that the following are their most important types:

Individual or independent entrepreneurship is the procedure in which an individual establishes an independent business or becomes its representative through the identification of the opportunities and arrangement of the resources and facilities; he focuses on innovation, process development, offering new products and services (Table 1).

Table 2: Content provide by institute or organization

Demographic variables		f	f (%)	F (%)
Individual's status in the family	Youngest	23	15.9	15.9
	Middle	104	71.7	87.6
	Oldest	18	12.4	100
Age	21-30	10	6.96	9.9
	31-40	75	51.7	58.6
	41-50	60	41.4	100
Education level	High-school diploma, Associate degree	13	9	9
	Bachelor degree	127	87.6	96.6
	Master degree and higher	5	3.4	100
Gender	Male	72	49.7	49.7
	Female	73	50.3	100

f: Frequency; F: Cumulative Frequency

Corporate entrepreneurship or Entrepreneurship involves the training of entrepreneurial behavior within the organization that is already established (Table 1). It is a process in which innovative product or processes are created with the creation of entrepreneurial culture. Table 2 in this type of entrepreneurship, an institute or organization provides the context in which the members are able to participate in entrepreneurial affairs and set forth the innovative products, services and processes through the creation of entrepreneurial culture (Martinez *et al.*, 2010).

Covin and Miles (1999) describes corporate entrepreneurship as the creation of new businesses in the boundaries of the main institutes. Jennings (1994) believe that corporate entrepreneurship is the flow through which organizations recognize the opportunities and arrange the production factors in a creative manner in order for creating value added (Miller, 1983). Dess *et al.* (1999) suggests that corporate entrepreneurship has three dimensions that are: innovation; new product, service or process development; and taking risks. In summary, we can refer to corporate entrepreneurship as the process that directs organization activities towards creativeness, innovation, risk-taking and pioneering (Bartlett and Ghoshal, 1996).

**Characteristics of entrepreneurs:** Economists focused their attention on only the economic context of entrepreneurship and, as a result, ignored the individual characteristics and factors that are positively and negatively effective on the entrepreneur. With no doubt, an entrepreneur individual follows a particular activity in accordance with his/her specific psychological and demographic characteristics.

**Psychological characteristics of entrepreneurs:**

- Need to success
- Locus of control

- Risk-taking
- Need for independence
- Creativeness
- Ambiguity tolerance

**Demographic characteristics of entrepreneurs:** Despite the psychological approach, which emphasizes the personal characteristics of the entrepreneur, demographic approach emphasized the activities of the entrepreneur. Demographic characteristics of the entrepreneurs can be divided into two groups; first the experimental characteristics; second entrepreneur's background-related characteristics.

**Experimental characteristics:** these characteristics can significantly affect the decision of the individual to become an entrepreneur. For example, having the experience in a job is among these characteristics. Experimental characteristics are divided into the following three groups:

- **Job experience:** Some researchers have reported that the entrepreneurs who start their activities in an industry have previous experience. The previous job experience in a specific path of economic activity is positively correlated with success. Covin and Slevin (1991) found in his studies that more than 97% of new institutes that are active in high-tech fields have had at least on co-founder who had worked in the same industry and about 85% of new institutes owned basic products or services that the previous experience of the founders were implemented in their creation. Hence, the majority of new entrepreneurs, whether successful or unsuccessful, have had previous experience in their relevant industry.
- **Dissatisfaction of the previous job:** Dissatisfaction is the main reason for an individual to give up his/her job. Regarding an entrepreneur, dissatisfaction of his/her previous job not only forces him/her to give up his/her job, but it also creates the belief in him/her that working in any place will not be satisfying any more. Dissatisfaction of the previous job may also be indirectly effective on the success of the new activity. For example, Burgelman (1983) compared successful entrepreneurs and concluded that the dissatisfaction of successful entrepreneurs of their previous job(s) at the time of deciding to start a new activity was higher than the dissatisfaction of successful entrepreneurs.
- **Role model:** Family members and friends as the role models are also effective on being entrepreneur. Burgelman (1983) found in their studies that most of the fathers of successful entrepreneurs were the owners or managers of some high-tech industries. At least 40% of entrepreneurs observed the entrepreneurship experiences in their families.

**Entrepreneur's background-related characteristics:**

Various studies were also performed on the relationship between entrepreneur's background-related characteristics or personal characteristics and the decision to become an entrepreneur. The important areas that undergo investigation are age, living status in childhood, age of marriage, number of previous jobs, membership of professional and business institutions, expected profit, external encouragement, unpredicted problems and evaluation of individual deficits, being margined because of physical and social issues, years of official education, specialized training, management trainings, beside supports from the family, believe in ethics and job conscience.

**Research hypotheses:**

- There is a relationship between corporate entrepreneurship and job performance of managers.
- There are differences in the job performance of managers and various demographic characteristics:
  - There are differences in the job performance of managers in various family statuses.
  - There are differences in the job performance of managers in various ages.
  - There are differences in the job performance of managers in various education levels.
  - There are differences in the job performance of male and female managers.
- There are differences in corporate entrepreneurship and various demographic characteristics:
  - There are differences in the corporate entrepreneurship of managers in various family statuses.
  - There are differences in the corporate entrepreneurship of managers in various ages.
  - There are differences in the corporate entrepreneurship of managers in various education levels.
  - There are differences in the corporate entrepreneurship of male and female managers.

**RESEARCH METHODOLOGY**

With respect to the nature of the subject and the considered goals, the methodology of this research is in the form of survey and based on census because of the equality between the considered population and the sample size. The research population consists of all of the executive managers of Tonekabon and Ramsar townships in the academic year 2008-2009. Since the population size is small, the sample size is considered equal with the population. Therefore, the sample size is 150. In order to collect the necessary data to investigate the corporate

entrepreneurship and job performance of managers variables, the standard questionnaires were used. Standard questionnaire, which consists of 15 2-item questions, was used to collect data for the corporate entrepreneurship of managers. Individuals who acquire a score higher than seven are regarded as entrepreneur and otherwise are not. The job performance of high-school principals is investigated based on their acquired score in their annual valuation form. The form is filled annually by the high-school directors. The annual valuation form investigates eight important dimensions of the principals and each dimension holds some specific components. Each component is also scored in the range of very lower than expected (score one) to higher than expected (score five).

The questionnaire has face and content validity. The reliability and validity coefficients of the entrepreneurship were determined based on split-half method and through calculating the correlation coefficient between odd and even articles. After revising with Spearman-Brown's formula, the calculated coefficient was 0.84. The collected data through the questionnaire were analyzed using descriptive and inferential statistics.

**RESULTS**

This section deals with the analysis of data with regard to the findings from descriptive and inferential statistics.

**Hypothesis 1:** Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the correlation between the two variables was not significant, we can conclude with 95% confidence that there is no significant relationship between corporate entrepreneurship and job performance of managers (Table 3).

**Hypothesis 2:** There are differences in the job performance of managers and various demographic characteristics.

Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the two variables was not significant, we can conclude with 95% confidence that there is no difference in the job performance of managers in various family statuses (Table 4).

Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the two variables was not Significant, we can conclude with 95% confidence that there is no difference in the job performance of managers in various ages (Table 5).

Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the

Table 3: There is a relationship between corporate entrepreneurship and job performance of managers

r	r (table)	df	$\alpha$ level	Sig.
0.002	0.159	143	0.05	0.984

Table 4: There are differences in the job performance of managers in various family statuses

	SS	df	MS	F	p-value
Inter-group	109.988	2	54.994	0.434	0.649
Intra-group	18005.074	142	126.796		
Total	118115.062	144	-		

Table 5: There are differences in the job performance of managers in various ages

	SS	df	MS	F	p-value
Inter-group	25.982	2	12.991	0.102	0.903
Intra-group	18089.080	142	127.388		
Total	18115.062	144	-		

Table 6: There are differences in the job performance of managers in various education levels

	SS	df	MS	F	p-value
Inter-group	543.384	2	271.692	2.196	0.115
Intra-group	17571.678	142	123.744		
Total	18115.062	144	-		

Table 7: There are differences in the job performance of male and female managers

	$\bar{X}$	s	t	df	2.3 p-value
Male	156.57	7.72	1.957	143	0.052
Female	152.96	13.65			

Table 8: There are differences in the corporate entrepreneurship of managers in various family statuses

	Ss	df	MS	F	p-value
Inter-group	6.182	2	3.09	10.95	70.386
Intra-group	458.066	142	3.226		
Total	464.248	144	-		

Table 9: There are differences in the corporate entrepreneurship of managers in various ages

	SS	df	MS	F	p-value
Inter-group	74.828	2	38.414	13.643	0.000
Intra-group	389.420	142	2.742		
Total	464.248	144	-		

Table 10: There are differences in the corporate entrepreneurship of managers in various education levels

	SS	df	MS	F	p-value
Inter-group	41.423	2	20.712	6.956	0.001
Intra-group	422.825	142	2.978		
Total	464.248	144	-		

Table 11: There are differences in the corporate entrepreneurship of male and female managers

	$\bar{X}$	s	t	df	2.3 p-value
Male	21.58	1.55	0.531	143	0.596
Female	21.42	2.02			

two variables was not significant, we can conclude with 95% confidence that there is no difference in the job performance of managers in various education levels (Table 6).

Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the two variables was not significant, we can conclude with

95% confidence that there is no difference in the job performance of male and female managers (Table 7).

**Hypothesis 3:** There are differences in corporate entrepreneurship and various demographic characteristics. Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the two variables was not significant, we can conclude with 95% confidence that there is no difference in the corporate entrepreneurship of managers in various family statuses. (Table 8)

Since significance level is lower than 0.05, the null hypothesis is rejected and the research hypothesis is confirmed. Due to the fact that the difference between the two variables was significant, we can conclude with 99% confidence that there are differences in the corporate entrepreneurship of managers in various ages (Table 9).

Since significance level is lower than 0.05, the null hypothesis is rejected and the research hypothesis is confirmed. Due to the fact that the difference between the two variables was significant, we can conclude with 99% confidence that there are differences in the corporate entrepreneurship of managers in various education levels (Table 10).

Since significance level is higher than 0.05, the null hypothesis is confirmed and the research hypothesis is rejected. Due to the fact that the difference between the two variables was not significant, we can conclude with 95% confidence that there is not difference in the corporate entrepreneurship of male and female managers (Table 11).

## DISCUSSION AND RECOMMENDATIONS

The general goal of this study was to determine the relationship between the corporate entrepreneurship and the job performance of managers. The considered population of the research was all of the executive managers of Tonekabon and Ramsar townships.

The Pearson's correlation method was used in order to investigate the first hypothesis and the result was that there is no relationship between corporate entrepreneurship and the job performance of managers. This result is not corresponding to the study of Nazem and Abbasi titled "Relationship between Corporate Entrepreneurship and Job Performance of School Managers".

In the second hypothesis, 5 demographic characteristics; i.e., gender, education level, age, family status and marriage, were analyzed. The "marriage" variable, nevertheless, was not analyzed since all of the managers were married. In total, the result was that there is no significant difference in the job performance of managers in various family statuses, education levels and ages. Furthermore, no significant difference was found in the job performance of male and female managers. In the

third hypothesis, the above-mentioned demographic characteristics were analyzed with regard to their difference in corporate entrepreneurship. It was found that there is no significant difference in the corporate entrepreneurship of managers in various family statuses. However, there are significant differences in the corporate entrepreneurship of managers in various education levels and various ages. Furthermore, the results indicate that there is no significant difference in the corporate entrepreneurship of male and female managers.

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