

The Impact of Entrepreneurship on Employment Empowerment: a Case Study at IRIB



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ABSTRACT

Entrepreneurship is the most important factor in economic development is called as process of making wealthy opportunity, innovation and creativity and process of leading to new organizations making without respect to the kind of the organization potential and related limitations. Drucker (2000, p 23) has had key role in development and growth of economic. Today, the human capital is brought out an unlimited source and is essential for any development. For this reason, entrepreneurship and entrepreneurs play effective role in process of economic development. So, knowing the two concepts is valuable and explaining their relation influence certainly and effectively recognition of main factors to develop societies and, especially, organizations. The paper considers the meaningful relation in a sample including statistical community of experts and employees of financial and administration assistance of Islamic republic of Iran broadcasting who are working in the office and it has been investigated correlations among variables. To measure the variables in the study two questionnaires had been determined in literature investigation of researches have been used. Results of the data have been analyzed by descriptive and inferential statistical approach. The results indicate the point not only is there meaningful relation between organizational entrepreneurship and empowerment of the employees but reinforcing empowerment components such as

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management support from entrepreneurship, decision making power (autonomy), considering reward and encouragement for the employees by managers and increasing accessibility time to the managers result in reinforcing the concept of organizational empowerment.

KEW WORDS: *entrepreneurship, employment, organizational empowerment, Islamic Republic of Iran Broadcasting (IRIB), Iran*

Introduction

In the developing world, prosperity belongs to the societies and organizations which create meaningful relation between rare sources and management abilities and entrepreneurship of human source. In other word, the society and organization can rest in way development, movement to forward and with speed have been become equipped human sources with knowledge and skills of entrepreneurship to use the valuable empowerment to lead other society sources and organization toward creating value, growth, development, and management. For this reason entrepreneurship and entrepreneurs influence effectively on economic development. As the researches has shown there is a positive correlation economic growth and number of the entrepreneurs in a country, because the countries possess many entrepreneurs have more powerful commercial and economical stimulations. According to role and importance of the entrepreneurship and entrepreneurs' shine backgrounds in the developments of many countries as well as the economical difficulties in the present world we stretch our hands to any way. Thus, dissemination of the organizational entrepreneurship, providing conditions of the entrepreneurship culture and training entrepreneurs are essential and vital for all of the societies especially the developing societies such as Iran.

Literature Review and Hypothesis

Entrepreneurship

Entrepreneurship is named *Entreprendre* in French and means committed in British and is translated boss in persian and entrepreneurship in persian that it isn't fit in translating. It seems better to translate "making value" .although value in the western development and economical literature has meaning different from what we image in the religious and

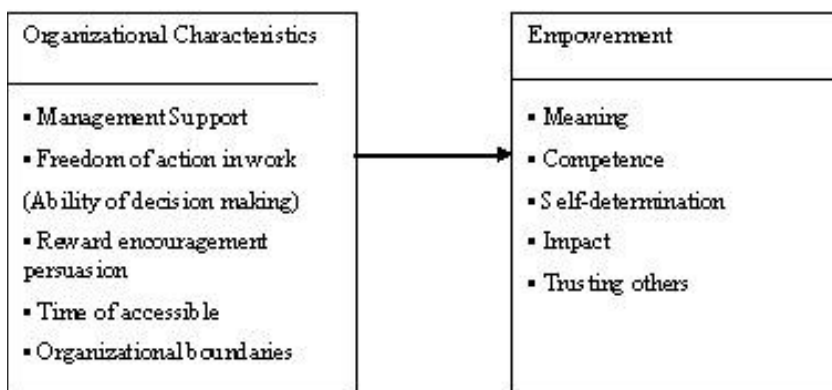
molar literature. A human who has ability to understand and find opportunities and alter his/her ideas to new product and service make value from nil and is called as entrepreneurs (Mosavi S.J., 2000).

There are some considerable points in entrepreneurship definitions:

- Entrepreneurs start a new business: they are recognized through new works and business. The innovation is shown in forms of producing new goods, increasing quality, new product technology, opening a new market, providing sources and new way for supplying primary material or collecting elements of a product, reorganizing an industry and starting a new business through innovative and creativity.
- The entrepreneur risks. For this reason, he/she passes methods haven't experienced by others yet. There are some dangers to arrive to the purposes.

Entrepreneurship can be said to include process of new recognition opportunities business and organizations and utilizing of the known opportunities. In result, the new goods and services are supplied the market (Arcook, 2006). One of the multi-dimension process models is comprehensive entrepreneurship model from Hornsby and his colleagues. They recognize the main factor of entrepreneurship in three domains; unexpected events, individual characteristics and organizational characteristics. Also, they have noticed some intervening variables. Briefly, their model is below form.

Figure 1: Research model, Hornsby, et al. (1993:31)



Empowerment

The oxford dictionary defines the verb of the empowerment to make able. The term “make able” is provide necessary conditions to increase motivate individuals who perform their duties through growing self capability. According to management theorists, empowerment is to providing necessary sources to employees as well as is to reinforce the important feelings. As it was said, Conger and Kanungo (1988) know delegation of authority as the main basis of employees empowerment process, but for complete achievement to it, other conditions is necessary. So, empowerment consists of process of reinforcement of organization individuals self sufficiency through recognition and introduction of the conditions result in lack of the power. There are some efforts to obviate it by formal actions of the organization and enjoyment from informal texts and information helping in the organization (Conger and Kanungo 1998,p475).

Employees empowerment performs through employees encouragement for actively participation in decision making. Employees through empowerment can find more recognition about the organization and its involvement with their work to make a valuable work, as a result it increases job satisfaction and improves work moral (Wilson 1996, p 3). Empowerment means individuals undertake their actions and decisions, but determination of duties means what people must do (vilkaks, 2001, p 6). It is one of the new management salient concepts. The most important purpose of empowerment is guidance and training necessary skills to employees to decide independently based on organizational culture criteria (Ala mope and his colleagues, 2006, p 74).

Empowerment is a fact that provides opportunity for decision making by expanding scope of one’s authorities. It will break traditional hierarchy of organizational structures, because line employees are close to problems and difficulties and have authority to resolve them (Blanchard and his colleagues, 1996, p 39).The different definitions of the empowerment demonstrate it is applied to internal emotion in who can make decision independently in their works.

Research Model

One of the empowerment models is Spreitzer and Mishra model. Spreitzer has determined four dimensions for empowerment. According to

Mishra's research (1992), one dimension was added his model. To managers can reinforce them successfully, they must create the five characteristics into them. Successful empowerment means to establish:

1. feeling of competence
2. feeling of Self-Determination
3. feeling of impact
4. feeling of meaningfully
5. feeling of trust to others

Research Methodology

Research Design and Instrument

Decision making about research method depends on the purpose of the study, the nature of the case study and various investigation methods. Thus the research method must be chosen according to case study. The study has selected the correlation method according to this case study.

This kind of the research is for collecting data from the relationship among variables, but discovering cause and effect link isn't considered importantly. The correlation research emphasizes on relationship among two groups of the data. Data is collected from a variable in two societies or two different situations and or from two variables or more in a society. In the study, the researchers want to know if there is relation and correlation among two groups of data and or no, that is, if a variable is followed by other one or no, if there is such relation how much and which of kind it will be. The correlation among variables relies on where variable direction is in investigated variables (dependent and independent variable) directly and inversely, they are called as positive and negative correlations. After determination of the correlation and direction, correlation coefficient will be calculated and its numerical variation is -1 and +1. There isn't always linear correlation among the variables. Some variable changes direction of correlation, and correlation coefficient .

To analyze data of the study, the paper uses descriptive and inferential statistical methods. The descriptive statistical methods are used to calculate mean, variance and distribution tables of the data about crowd. The inferential statistical method from the multiple regression method is

used to determine share of the organizational entrepreneurship elements in explaining employees.

Hypothesis

There is a meaningful relation between organizational entrepreneurship and empowerment of the employees

Hypothesis 1:there is meaningful relation between entrepreneurship and empowerment of broadcasting employees

Hypothesis 2:there is meaningful relation between consideration of reward and encouragement by manger and empowerment of broadcasting employees

Hypothesis 3: there is meaningful relation between consideration of reward and encouragement by manger and empowerment of broadcasting employees

Hypothesis 4: there is meaningful relationship between organizational obstacles and limitations and hypothesis of broadcasting employees.

The Sample

Respondents of the study are experts and employees of financial and administrative assistant of Islamic republic of Iran broadcasting. The minimum samples are chosen by the correct formula of the Cochran population. The minimum respondents are 211 in the study.

$$\underline{n_0} = \frac{t^2 s^2}{d^2} = \frac{1.96^2 1.25^2}{(5 \times 0.03)^2} = \frac{6.0025}{0.0225} \cong 267$$

$$\underline{n_1} = \frac{267}{\left(1 + \frac{267}{1000}\right)} = \frac{267}{1.267} \cong 211$$

Measurement

To measure the variables in the study, two questionnaires have been determined to consider research literature has been used. Also, some the questionnaires have been given some respondents who were asked their

viewpoints about text and meaning of the items to ensure honesty of the translation and understanding them.

It included 31 items to measure the entrepreneurship. They are planned by Horne BI and Spretizer to estimate five variables, management support from the entrepreneurship, decision making (freedom of action), considering rewards and encouragement for employees by manager, manager's time of accessible, and organizational obstacles and limitations and bureaucracy. The spectrum of Likert (five points) was used completely disagreement (1) to completely agreement (5). To ensure the correctness of the items, validity analysis was used.

To measure empowerment, a questionnaire including 18 items was used. The items were designed by Spretizer and Mistral to assess five variables; meaningfulness, competence, selection right, effective, and trust others. All of the items are answered according to Likert's spectrum 1 to 5. To ensure the accuracy of the items, validity analysis was used.

Cronbach's alpha tool has been used to measure reliability of items. Analysis of the reliability was performed by the software SPSS. According to the results from reliability analysis one of the four items related to the variable "manager's time of accessible" as well as one of the four items related to "selection right" were omitted.

Reliability and Validity of Questionnaire

Table: Reliability analysis of factors in entrepreneurship

Factors	Elements of measurement	α
Management support from entrepreneurship	MS_01~MS_11	0.792
Decision making power (freedom of action)	DA_01~DA_06	0.726
Reward and encouragement for staffs by manager	R_01~R_09	0.827
Time of accessible	TA_02~TA_04	0.706
Meaningful	M_01~M_03	0.713
competence	C_01~C_05	0.737
Right to choice	SA_01,SA_03~SA_04	0.775
Effectual	A_01~A_02	0.704
Trust others	T_01~Q2_18	0.917

Analysis and Presentation of Findings

Population Analysis

233 questionnaires of the 264 questionnaires were returned and coefficient of replying reaches 81%

Table 1: Descriptive statistics of know population

Characteristics	Items	Abundance	Percent
Gender	Man	122	59.7
	woman	92	42.8
age	21-25	9	4.2
	30-26	34	15.8
	31-35	47	21.9
	36-40	52	24.2
	40-45	22	10.2
	46-50	12	5.6
	51-55	7	3.3
	56-60	4	1.4
	61-65	4	1.9
	Educational degrees	Diploma	9
Junior college		38	17.7
bachelor		129	60.0
M.A		35	16.3
P.H.D		2	0.9
Administrative services		12	6.4
Retirement		9	4.8
Activity place	Financial	54	28.9
	Goods affairs	17	9.1
	legal	11	5.9
	Comfortable affairs	36	19.3
	Human resources	23	13.9
	Informatics	3	1.6
Past record	1-5	63	29.3
	6-10	45	20.9
	11-15	55	25.6
	16-20	15	7/0
	21-25	3	3.3

	26-30	4	1.9
	31-35	2	0.9
	36-40	2	0.9
	formal	121	56.3
Cooperation of staffs	experimental	0	0
	contractual	59	27.4
	others	32	14.9
Married	Single	32	14.9
	married	182	84.7

Analysis of Correlation Among Variables

Before investigation of hypotheses, we look at measured variables at glance in table 2 and we can accept or reject them. To consider all of the hypotheses Multi-step by step regression was used. Table 2 indicates the final results from regression.

	MS	DA	R	TA	BL	M	C	SA	A	T
MS	1									
D	0.585**	1								
A										
R	0.573**	0.623	1							
TA	0.281**	0.382	0.420**	1						
BL	0.238*	0.278	0.272**	0.176*	1					
M	0.153*	0.272	0.212**	0.252**	-0.014	1				
C	0.079	0.156	0.111	0.13	0.047	0.431**	1			
SA	0.322**	0.585	0.569**	0.348**	0.165*	0.325**	0.168*	1		
A	0.319**	0.322	0.368**	0.200**	0.041	0.252**	0.265*	0.550**	1	
T	0.259**	0.197	0.313**	0.250**	0.025	0.149*	0.082	0.306**	0.266**	1

Meaningful correlation in 0.05 level

Meaningful correlation in 0.01 level

Investigation and Hypothese

Step by step regression was used to investigate the main hypothesis. Organizational entrepreneurship is our variable in the stage. The table 4 indicates results of the regression in SPSS. According to the results from the regression, the main theory was confirmed. According to the up

statistical results it can be stated there is a meaningful relation between organizational entrepreneurship (amount 0. 519) and employees empowerment changes the meaningful level of less than 0.001.

Table 4. statistical indicators of regression analysis to investigating effect of organizational entrepreneurship on employees empowerment

	R	R ²	F ²	F ²	B		β	t	
Const.	0.519	0.269	0.266	0.269	41.117	2.288		17.288	0
OEs					0.254	0.029	0.519	8.856	0

Investigation of Effect of Entrepreneurship Elements on Empowerment

The first step by step regression was used to consider the subsidiary hypotheses 1, 2, 3, 4, 5. The common theories try to determine the relationship between elements of organizational entrepreneurship and employees empowerment. The predictive variables includes manager’ support from entrepreneurship, decision making power(freedom of action), reward and encouragement by manger and manger’s accessible time in the stage. The table 5 shows results multi-step by step regression in SPSS. According to the results from the third model of multi-step by step regression, the 2, 3, 4 hypotheses were confirmed and the 1 and 5 hypotheses were rejected (according to include or exclude the independent variables to model). All of the above data explains there is meaningful relationship between decision making (freedom of action), reward and encouragement by manger and manger’s accessible time (0. 281,0.215,0.169, respectively) and employees empowerment changes meaningful level 0.009 and less.

Table 5. statistical indicators of regression analysis to investigating effect of elements of organizational entrepreneurship on employees empowerment

		R	R ²	F ²	F ²	B		β	t	
1	Const.	0.486	0.236	0.233	0.236	46.543	1.839		25.307	0
	R					0.618	0.076	0.486	8.117	0
2	Const.	0.523	0.274	0.267	0.038	43.539	2.013		21.628	0
	R					0.422	0.095	0.331	4.429	0
	DA					0.43	0.13	0.248	3.314	0.001
3	Const.	0.545	0.297	0.287	0.023	41.26	2.168		19.033	0
	R					0.358	0.097	0.281	3.689	0
	DA					0.372	0.13	0.215	2.865	0.005
	TA					0.535	0.204	0.169	2.621	0.009

Conclusion and Recommendations for Future Research

According to influence of the entrepreneurship elements on it ,we will investigate two sections; the first investigation of effect of organizational entrepreneurship on empowerment of the employees of the broadcasting and then consideration of effect of organizational elements on empowerment of broadcasting employees. The simple regression was used here. In the study, organizational entrepreneurship has impact on empowerment of the employees considerably ($B=0.226$).

According to step by step regression results, three variables among the variables “decision making “(freedom of action), “considering reward, and encouragement of staffs by manager”, manger’s time of accessible “and “organizational obstacles and limitations” were confirmed to predicate empowerment of broadcasting employees (external variables). There was positive relationship between reward and encouragement employees by manger, decision making (freedom of action) and manager’s time of accessible and empowerment of broadcasting employees.

In the study, decision making ability (freedom of action) is the second variable among the three variables which has effect on empowerment of the broadcasting employees ($B=0.215$). Also, the correlation between the variable and the four elements of the employees empowerment verifies the validity of the results.. In the study, decision making ability (freedom of action) was defined as the first effective variable on empowerment of broadcasting employees ($B=0.281$). Also the correlation between the variable and the four elements of empowerment of the broadcasting employees.

The variable, “manager’s time of accessible “, has been known as the third and final variable has effect on empowerment of the broadcasting ability. ($B=0.169$). Here, there is forceful correlation between the variable and the four elements of employees empowerment. Thus, the obstacles and limitations are recognized one of the two variables without effect on the employees empowerment. Lack of the correlation among the variable with each of the empowerment elements of the broadcasting employees corresponds with the results.

Recommendations

As the results shown, some suggestions can be used in two parts, practical and scientific, based on executive and academic fields.

Considering rewards and encouragement by manager is the most effective organizational entrepreneurship element on the employees empowerment. Because organizations have authority over paying rewards and encouragement with managers, the field can offer helpfully increasing employees empowerment. For this reason, increasing manager's accessible time doesn't impose much expense to organizations, planning for time increasing the variable can help considerably raising employees empowerment.

If organizational rules and regulations are changed in such a manner that employees decision making power can be increased and or they obtain freedom of action in their duties they can develop their empowerment. (the second subsidiary: there is a meaningful relation decision making power (freedom of action) and the broadcasting employees empowerment)

- Regards of the organizations to effective factors in organizational entrepreneurship and their reinforcement can play key role on increasing their making potency. Studying the similar research in organizational environments where have different functions can make more careful attitudes to effect of the activity on the relation between organizational entrepreneurship and employees empowerment.
- If the research is held in more expanded dimensions and more fit distributions, it can provide more accurate attitude to effect of balancing the relation between organizational entrepreneurship and employees empowerment the groups of the variables.
- It is need analogous research about effect of organizational entrepreneurship on employees empowerment with consideration of forming elements of employees empowerment to obtain more accurate understanding amount of the impression.

A additional research needs to investigate effect of organizational entrepreneurship on employees empowerment with taking into consideration of three aspects of organizational entrepreneurship (communication, motivation, recognition), simultaneously to obtain more accurate understanding taking impression mode of staffs 'making potency.

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APSTRAKT

Preduzetništvo je najvažniji faktor u ekonomskom razvoju, koji podrazumeva proces stvaranja mnogobrojnih mogućnosti, inovacija i kreativnosti, kao i proces koji vodi do stvaranja novih organizacija bez obzira na vrstu njihovog potencijala i mogućih ograničenja. Draker (2000, str. 23) je imao ključnu ulogu u razvoju ekonomske nauke. U današnje vreme, ljudski kapital je postao neograničeni potencijal i suština svakog razvoja. Iz tog razloga, preduzetništvo i preduzetnici igraju važnu ulogu u procesu ekonomskog razvoja. Poznavanje uloge ljudskog kapitala i preduzetništva je značajno zbog prepoznavanja njihove uloge, kao glavnih faktora u razvijenim društvima, a posebno u razvoju organizacija. Ovaj rad razmatra korelaciju između ovih varijabli. Za istraživanje je korišćena literature kao i statistički podaci dobijeni od eksperata i zaposlenih u finansijskoj i administrativnoj službi Radio-televizije Irana. Dobijeni podaci, analizirani su prema deskriptivnom i inferencijalnom statističkom pristupu. Rezultati ukazuju na zaključak da ne samo da postoji značajna korelaciona veza između preduzetništva i zaposlenih, već i da postoji snažan uticaj preduzetništva na jačanje komponenti koje povećavaju podršku menadžmentu, postizanju veće nezavisnosti kod donošenja odluka, razmatranja sistema nagrađivanja i ohrabrivanja zaposlenih od strane menadžera i produženja vremena pristupanju ostvarenim rezultatima menadžera. Sve se to čini u cilju organizacionog osnaživanja.

KLJUČNE REČI: *preduzetništvo, zaposleni, organizaciono osnaživanje, Radio-televizija Islamske republike Iran (IRIB), Iran*

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