



Effect of organizational structure and corporate entrepreneurship in higher education

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ABSTRACT

The aim of this study is to investigate the relationship between organizational structure and corporate entrepreneurship with career development for faculty members in the of Isfahan university. A multiple correlational survey designed with the population of 650 faculty members. This study uses a stratified random sampling method to select 280 faculty members. The data gathering instruments included organizational structure, corporate entrepreneurship and career development questionnaires. Research results showed that organic organization structure mean was lower than mid-level but mechanistic organization was at average level. So the components of corporate entrepreneurship such as affective commitment, normative commitment and Organizational citizenship behavior were less than average level but level of education and professional skills were at average level. The indicators of career development (Self-information, Decision-Making, Integration of Self-information and Career information and Career Planning) were less than average level. There was a significant multiple correlations between organizational structure and corporate entrepreneurship with career development. Beta coefficients among affective commitment, normative commitment and organizational citizenship behavior and career development were significant and no autocorrelation existed and regression model were significant. Faculty member's opinions about relationships between organizational structure and corporate entrepreneurship with career development on the basis of demographic variables were statistically significant different.

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1. Introduction

Colleges and universities are principally different from business organizations in the way that they answer to the external environment, particularly in the areas of strategic planning and goal setting. Existing colleges and universities some significant differences from commercial organizations in the ranges of goals governance and decision make style (Schuster et al., 1994). In today's variable employed environment, organizational structure inhabits a central place in the managing of organizations. Organizational structures are measured as significant components of organizations due to their importance on the effectiveness of processes and accomplishment of goals (Ogidi and Adekitan, 2013). Organizational structure represents a suitable tool that leads individuals' behaviors through shared values, norms, and goals (Liao et al., 2011). Therefore, in mechanistic organizations individuals have a clear considerate about their job responsibilities and it is estimated of them to follow

definite guidelines detailed by policies, practices, and procedures. Organic organizations are more flat, flexible and adjustable to environmental situations, so individuals' behaviors are directed by shared values and goals (Dust et al., 2014). Thus organizational structure has numerous and important effects on both individuals and organizations.

The concept of entrepreneurship strengthened the notion that entrepreneurial behaviors preceded organizational environments while entrepreneurial behaviors required a dependence on the organizational environment. Corporate entrepreneurship has been recognized as a potential source of innovation and revolution for a higher education sector in dire want of renewal, but it is just one of numerous innovative managerial practices lately imported from the business sector to higher education. Several of these imports have been charged with absence of fit with the exclusive higher education environment or for being unresponsive to internal communities (Buckley and Hurley, 2001). Three defining factors are for organizations wanting to implement entrepreneurial constructs. These factors formed a basis for assessment and included

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(a) management's acceptance and support for entrepreneurship, (b) organizational design and functionality, and (c) willing resources (Kuratko et al., 1990). According to Covin and Slevin (1991) organizational entrepreneurial was reflected by innovation and strong risk-taking propensity. Exactly, innovativeness denotes to firm's tendency to create new products, services or technological procedure and support new ideas, originality and experimentation (Lumpkin and Dess, 1996). This emphasizes making and introduction of new products and services. Risk propensity denotes to entrepreneurial activities that support taking reasonable risk taking and ability to manage risks (Fletcher, 2004). Career too concerned with people's futures and what are the skills they want to develop, achieve at work and as a person in addition to their future employability in a rapidly moving labor (Donald, 2004). Career Development is an aspect of Human Resource Development (Swanson and Holton, 2001). Because HRD is composed of many different disciplines, career development can inform HRD and influence practice and individual's "buy-in" (Upton et al., 2003). Fennell (1997) claimed Mexican American administrators can be significant as role models and mentors. Their presence helps as a sense of support and encouragement to Mexican American students. Phelps and Taber (1996) criticized community colleges for weak or indifferent recruitment practices, lack of institutional recruitment/diversity, and professional development plans to aid in engagement minorities. They go on to say the field of higher education is laced with institutionalism racism, benign neglect and indifference. The present study was aimed to investigate the relationship between organizational structure and corporate entrepreneurship with career development in higher education. The effects could pave the way to increase the quality of education services and improve the higher education performance. It will offer the managers with knowledge of organizational structure and corporate entrepreneurship with indicators and productivity while they try to remove the possible defects and prepare the higher education for performing successful changes and aggregate providing better services.

2. Material and methods

The present study employs a questionnaire survey approach to collect data for testing and research question. Variables in the questionnaire comprise background information, organizational structure and corporate entrepreneurship components with Career development indicators in higher education. All variables require five-point Likert style responses ranging from "strongly disagree" to "strongly agree". The population for the study is 650 faculty members in Isfahan University. This study uses a stratified random sampling method to select 280 faculty members. Of the 260 returned questionnaires, 20 are incomplete. The residual 260

valid and complete questionnaires are intended for the quantitative analysis. Data were composed by three questionnaires: Following the distinction of previous researches (e.g., Øgaard et al., 2008), the present study adopts two organizational structures including mechanistic organization structure, organic organization structure in the construct of organizational structure. Drawing upon prior researches (e.g., Zahra and Covin, 1995) this study adapts three aspects, including affective commitment, normative commitment, and organizational citizenship behavior in the construct of corporate entrepreneurship. Drawing upon prior researches, this study adapts five scales, including Self-information, Decision-Making, Career information, Integration of Self-information and Career information, Career Planning in the construct of career development. To verify the questionnaires validity face and content method and authority opinions were utilized. Reliability coefficient of questionnaires were estimated through Cranach's alpha coefficient ($r_1=0.89$), ($r_2=0.92$) and ($r_3=0.80$). To show the differences in organizational structure and corporate entrepreneurship with career development among universities types, t-test, Fisher test, ANOVA, Multiple regressions, path way were employed. A multiple comparison post hoc test with least significant difference (LSD) was used to determine which universities types were significantly different from the others.

3. Results and discussion

Most respondents (42.9%) aged 35 to 50 years; most of them (80%) are Assistant Professor's degree. Most faculty members (38.9%) had between 10 and 20 years of service. 23.5% of the examinees included female and 76.5% male. Results display the confidence intervals show that mean score of mechanistic organization structure is between 2.62 and 3.32 and organic organization structure between 1.70 and 2.34 with probability of 99 percent. Also results display the confidence intervals show that means score of affective commitment was between 1.69 and 2.04, means score of normative commitment was between 1.90 and 2.26 and Organizational citizenship behavior was between 1.86 and 2.20 with probability of 99 percent. Results display the confidence intervals show that means score of Self-information was between 1.80 and 2.01, means score of Decision-Making was between 1.95 and 2.28, Career information was between 1.43 and 2.14, means score of Integration of Self-information and Career information was between 1.63 and 2.08 and means score of Career Planning was between 1.13 and 2.01 with probability of 99 percent. Table 1 presents the results of multiple regression analysis regarding the effects of organizational structure on corporate entrepreneurship ($p = 0.000$). Multiple correlation coefficients are 0.57 and modified determination coefficient is 0.325. So 32.5 percent of response variable can be explained by a combination of organizational structure.

Table 1: Multiple regression between organizational structure and corporate entrepreneurship

Source	Indicators						
	ss	df	ms	R	R ²	F _{ob}	
Regression	14.52	2	7.26	0.570	0.325	43.76	0.000
Residual	30.20	258	0.166				
Total	44.72	260					

Table 2 shows the results of coefficients of organic organization structure and corporate entrepreneurship are positive and significant. Coefficient of mechanistic organization structure and corporate entrepreneurship are negative and significant (p=0.000). This study uses variance inflation factors (VIFs) to examine the effect of multi

co linearity. The values of the VIF associated with the predictors show a range from 1.21 to 1.02 which shows that there is no autocorrelation among them. So regression model is significant and predictive model can be showed as follow: $Y=1.075 + 0.832x_1 - 0.050 x_2$.

Table 2: Correlation between organizational structure and corporate entrepreneurship

organizational structure	Indicators				
	β	Beta	Vif	tob	P
Constant	1.075	-	-	3.048	0.003
organic organization structure	0.832	0.561	1.21	9.159	0.000
mechanistic organization structure	-0.050	-0.059	1.02	-0.696	0.008

Results showed that calculated F value with 3 and 257 degrees of freedom in significance level of (α = 0.01) is higher than table critical value. So there is significant multiple correlation between corporate entrepreneurship and career development (p =

0.000). Multiple correlation coefficients are 0.529 and modified determination coefficient is 0.280. So 28.0 percent of response variable can be explained by a combination of corporate entrepreneurship (Table 3).

Table 3: Multiple regression between corporate entrepreneurship and career development

Source	Indicators						
	ss	df	ms	R	R ²	F _{ob}	
Regression	4.023	3	0.402	0.529	0.280	6.778	0.000
Residual	10.329	257	0.059				
Total	14.353	260					

According to finding of Table 4, Beta coefficient of affective commitment and career development was 0.156, normative commitment and career development was 0.086, organizational citizenship behavior and career development is 0.022 which are all statistically significant (p = 0.000). Variance inflation factor for predictor variables was between at least 1.02 and 1.08 which shows that there is no

autocorrelation among them. So regression model is significant and predictive model can be showed as follow: $Y=1.987 + 0.061 X_1 + 0.052 X_2 + 0.114 X_3$

Fig. 1 presents the results of correlation between organizational structure and corporate entrepreneurship with career development, path way model can be showed as follow:

Table 4: Correlation between corporate entrepreneurship and career development

corporate entrepreneurship	Indicators				
	β	Beta	Vif	tob	P
Constant	1.987	-	-	11.298	0.000
affective commitment	0.156	0.156	1.08	1.898	0.000
normative commitment	0.086	0.087	1.06	1.097	0.006
organizational citizenship behavior	0.022	0.022	1.02	0.248	0.004

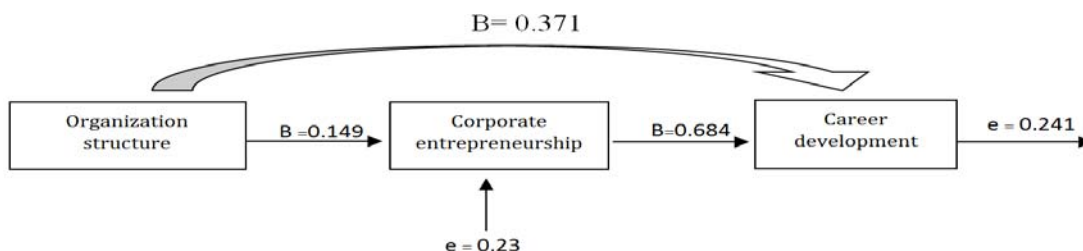


Fig. 1: Path way model for organizational structure and corporate entrepreneurship with career development

Analysis of covariance showed that observed F in level $p \leq 0.05$ for relation of organization structure and corporate entrepreneurship with career

development according to demographic characteristics is significant. Eta square for age was

0.06 and for university type was 0.09 which are statistically significant.

Research results showed that organic organization structure mean was lower than mid-level but mechanistic organization was at average level. So the components of corporate entrepreneurship such as affective commitment, normative commitment and Organizational citizenship behavior were less than average level but level of education and professional skills were at average level. The indicators of career development such as Self-information, Decision-Making, Integration of Self-information and Career information and Career Planning were less than average level. In general, there is significant multiple correlation between the organizational structure including organic organization structure, mechanistic organization structure and the corporate entrepreneurship in the studied university. The beta coefficients have been as 0.561 between organic organization structure and corporate entrepreneurship, -0.059 between mechanistic organization structure and corporate entrepreneurship all of which are statistically significant. The variance inflation factor for explanatory variables has been at least 1.02 to 1.21, which shows that there is no conformity between them. Results of this study are almost compatible with a study that showed that the corporate entrepreneurship and the entrepreneurial mindset formed as a viable concept, whereby employees were actors and initiators taking on responsibility for exploration and new disruptions (Jelinek and Litterer (1995). There is also significant multiple relation between corporate entrepreneurship components including affective commitment, normative commitment, organizational citizenship behavior and career development in the studied university. The beta coefficients have been as 0.156 between affective commitment and career development, 0.87 normative commitments and career development, 0.22 between organizational citizenship behavior and career development all of which are statistically significant. The variance inflation factor for explanatory variables has been at least 1.02 to 1.08, which shows that there is no conformity between them. Results of this study are almost compatible with a study that examined how the organizational entrepreneurial was reflected by innovation and strong risk-taking propensity (Lumpkin and Dess, 1996). Phelps and Taber (1996) criticized community colleges for weak or indifferent recruitment practices, lack of institutional recruitment/diversity, and professional development programs to aid in hiring minorities. Our findings have two important implications: A higher level of organizational structures and corporate entrepreneurship are often associated with greater productivity and higher effectiveness. Human resource managers recruit and develop the best and brightest employees as a means of attaining competitive advantage and career development. So as to improve corporate entrepreneurship,

knowledge of how the concept is related to and affected by other organizational variables is required.

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