

Entrepreneurial Students the Best Way for Economic Development in Iran

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Abstract. In the process of rapid changes in knowledge- based economy occurred by communication technologies, entrepreneurship and creativity, has gained great value in a way that some call this age as entrepreneurship. Unfortunately, this importance has been ignored in Iran, and expecting to be employed is a prevailing culture among most students. Having entrepreneurship culture can be investigated through both personality characters and social norms. In order to reach this aim, this article investigates the influence of personality characters on entrepreneurship, thus four features including compatibility with situation, self esteem, control focus, and risk- taking have been measured and in the follow of four hypotheses the effectiveness of the features have been examined. The methodology of this research is descriptive, which in order to test the research hypotheses, a sample of 149 self employed students in Mashhad Azad University, Golbahar Azad University, and also Management Association Center of Iran were selected based on stratified random sampling with proportional allocation for testing the research hypotheses. The data collection instrument in this research is five questionnaires which have been analyzed through statistic methods of analyzing variance (F). The Research results show that the first & second hypotheses of this research which examine the influence of personality characters of self esteem & compatibility with situation have not been confirmed. But the third and fourth hypotheses confirmed. The overall investigation on people belief indicates that most Iranian people have external control center & they believe in final destiny, and students have a high level of conservatism. Maybe these two believes can be introduced as the main reasons for the low rate of entrepreneurship in Iran as well as commercial instability. Therefore, some recommendations were presented in order to solve this problem in Iran.

Keywords: Creativity, Innovation, Entrepreneurship, Personality Characters

Johann Wolfgang Goethe:” There is an initial truth about all innovations & creativities; as an individual is determined to initiate something, the divine aids will assist him.

1. Introduction

Undoubtedly, nowadays, the world is based on innovation & people are responsible for it. In other words, the primary essence of societies & organizations is relied on human entrepreneurship and creativity. Unfortunately, not much attention has been given to this issue in Iran. But, in 2002, the government instructed a few ministries to put the entrepreneurship at their priorities. One of these ministries is the Ministry of Science Research and Technology which familiarized academic society with entrepreneurship via a project called KARAD (the project for developing entrepreneurship in universities). This project has defined its goals, and also clarified the strategies for reaching these goals so it can inform the academic society about the importance of entrepreneurship (Shah Hosseini, 2005, P126). Although, it has not led the Iranian academy toward entrepreneurship and creativity. Some believe that this un failure is related to personality characters of Iranian people including conservatism, extroversion in respect to control focus.

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However, we can mention lack of governmental support, economic instability, and cultural characteristics in Iran as some other main reasons for slow progress of entrepreneurship in Iran.

Worth to mention that in recent year's successful organizations, economists, politicians have greatly focused on entrepreneurship more than other issues, it should be noted that the entrepreneurship does not mean generating employment but it can be resulted in providing jobs.

Over these years a question was frequently asked that whether personality characters (which are not unrelated to society culture) affect entrepreneurship.

This article at first deals with entrepreneurship and some concepts relating to entrepreneurship, then introduces those effective personality characters on entrepreneurship, finally analyses the answer of the above question.

It should be noted that self employed people in this article are those people who have commenced & ventured a new business.

2. Entrepreneur, Entrepreneurship and Its History

Entrepreneurship is a core subject among different fields such as economics, psychology, anthropology, sociology, and management which play significant role in evolution of entrepreneurship.

The founder of entrepreneurship science, Shumpiter, has presented the shortest & the most acceptable definition for entrepreneurship. He believes that entrepreneur is a person who tends to risk for establishing a company and creating a new product, a new method, a new service or a new market. (Andrew & others, 1989, P537).

Some scholars define entrepreneur in order to clarify the concept of entrepreneurship, for example, per as Richard Kantillon, entrepreneur is a person who provides production tools to combine them for manufacturing merchantable products. (Palmer, 1987, P37)

Entrepreneurship is a process in which an entrepreneur attempts to venture a new company & business by using new & creative ideas, and recognizing new opportunities, and mobilizing the available resources. (Zabihi & Moghadasi, 2007, P18). Per as Stoner, an entrepreneur is a person who establishes a new venture & organization. (Ahmad Poor Dariyani & Moghimi, 2009, P48)

Over four centuries, the concept of entrepreneurship has passed its evolution. In the 16th century A.D, the French applied the term of entrepreneurship for the first time for those people who were dispatched for military missions, and at the beginning of 18th century, this term was used in commercial affairs too. (Ahmad Poor Dariyani & Moghimi, 2009, P45). The term of entrepreneurship does not have any accurate equivalence in Persian. Any way in English to Persian dictionary of Aryan Poor, the meanings of ((fearless, dauntless and pioneer in establishing a company)) were written in front of the above term and the term of entrepreneur which to some extent induces the meaning of entrepreneur in the mind of reader. (Shah Hosseini, 2005, P3). As mentioned, you see that non of the above definitions were not meant as generating employment but, because of inappropriate economic status as well as unemployment crisis in Iran caused that most Iranian people consider entrepreneurship as synonymous with generating employment, whilst entrepreneurship maybe resulted in providing job. Therefore, it is wrong to confine entrepreneurship to generating a job. (ibid, P76). If we consider entrepreneurship as a process which starts with creativity, so it may result in employment.

Creativity → **Innovation** → **Entrepreneurship** → **Employment**

2.1. Theoretical Framework & Applied Model

Theoretical framework of this plan is formed based on four characters which will be explained as follows:

Control Focus: Some believe that they are in control of their destiny (fate). And some other believes that destiny plays significant role on their lives. The first group are introvert i.e. have internal control center. Such people undertake the responsibility of the obtained results of their tasks, if they could not reach satisfactory results. (Robinz, 2005, P143). In other words, the successful entrepreneurs trust themselves and do not ascribe failure or success to fortune or destiny.

Risk-taking: Risk-taking & venturing is one of the major characters of entrepreneurs. These risks may be financially, mentally, and even socially. Although entrepreneurs do not gamble but they make decisions upon risk evaluation, and after decision making they do at their best & take all necessary actions for preceding their works. In 1990, Hiner indicated that successful entrepreneurs do venture more than managers. Managers usually build a house and try to keep it while entrepreneurs always seek to build a new house and they are always at risk. (Shah Hosseini, 2005, P18).

Compatibility with situation: This is a new personality character which indicates the ability of a person in putting his behavior along with situational & external factors. People who have this character can show various manners in different situations. In other words, they are flexible but it does not mean that their personalities are unstable. (Robinz, 2005, P149). In those jobs which they are always under control & subordinate, they cannot tolerate & will have stress and quit such jobs, and select their own jobs in which they can preserve their magnanimity. Self-esteem is a degree or extent to which people like themselves, and those people who have this character highly, do some more unusual affairs with high risks. (ibid, P149).

Research Results: In 2011, authors of this research article “*The Study of Effective Factors on Entrepreneurship with the Aid of Personality Characters*” have done this research on self employed students of Mashhad Azad University, Golbahar Azad University, and also Management Association Center of Iran in which four personality characters including control focus, risk- taking, self esteem, compatibility with situation have been investigated based on following four affecting hypotheses:

- Compatibility with situation is effective on entrepreneurship,
- Having self- esteem is effective on entrepreneurship,
- Internal control focus is effective on entrepreneurship,
- Risk- taking is effective on entrepreneurship.

2.2. Research Findings:

- Descriptive Findings:

Table 3: Frequency Distribution of Respondent Gender

Gender	Frequency	Relative Frequency Percentage
Boy	116	77/8
Girl	33	22/2
Total	149	100

The resulted findings from the present questionnaires in the first place show that the number of boy self employed students were over three times greater than girl self employed students, in a way that 78% of the present of respondents in selected sample were men and just 22% were women. In the case of respondents' age, 55 students (36%) were in the range of 19-23 years old, and 89 students (64%) were over 23 years old. With respect to education, 64 students (43%) were studying for obtaining masters degree Master of Diploma, 85 students (57%) were studying at Master of Science. The income rate of students were as follows; 69 students (46%) earned lower than 3'000'000 Rial, 65 students (43%) earned in the range of 3'000'000-4'000'000 Rial, and 15 students (11%) earned over 4'000'000 Rial.

- Inferential Findings:

Prior to analyzing the results of tables, it should be noted that through measuring the effect of different levels of a variable on another variable via analyzing variance, mean of independent variable will be compared in different levels of dependent variable, and if these means are different at these levels, then case zero hypothesis will be refused, on the contrary, if these means are the same statistically and there is not any difference between them, so in this case the zero hypothesis will be accepted.

Table 4: Report of the Results of Research Hypothesis 1

Compatibility with Situation	Number	Mean of Entrepreneurship	Standard Deviation of Entrepreneurship	Test statistical Value	P-value
Low Status of Compatibility with Situation	8	36/2	28/50	0/808	0/214

Middle Status of Compatibility with Situation	66	35/0	28/45		
High Status of Compatibility with Situation	75	37/0	29/63		

Considering the probable significant value reported in the above table & comparing it with critical area of test ($P - value = 0/808 > 0/05 = \alpha$), the statistical zero hypotheses will be accepted and consequently the research hypothesis 1 will be refused. In other words, based on 95% confidence coefficient, it can be stated that the students' character of compatibility with situation has no effect on entrepreneurship.

Table 5: Report of the Results of Research Hypothesis 2

Self esteem	Number	Mean of Entrepreneurship	Standard Deviation of Entrepreneurship	Test statistical Value	P-value
Low Status of Self esteem	23	36/4	29/20	1/208	0/302
Middle Status of Self esteem	92	37/8	30/03		
High Status of Self esteem	34	36/7	29/47		

In view of the obtained results of the above table, it can be concluded that in the original research hypothesis 2, the statistical zero hypothesis is accepted and the research hypothesis 1 is refused ($P - value = 0/302 > 0/05 = \alpha$). In other words, it can be stated that based on 95% confidence coefficient which if students have self esteem, it does not have any effect on entrepreneurship, and this rate is the same in different levels of entrepreneurship statistically.

But the research hypothesis 3 was confirmed i.e. having internal control center effects on entrepreneurship of students.

Table 6: Report of the Results of Research Hypothesis 3

Internal Control Focus	Number	Mean of Entrepreneurship	Standard Deviation of Entrepreneurship	Test statistical Value	P-value
Low Status of Control Focus	13	32/8	30/44	3/395	0/036
Middle Status of Control Focus	59	36/7	30/73		
High Status of Control Focus	77	41/8	32/18		

Since the probable significant value of the test is smaller than critical point ($P - value = 0/036 < 0/05 = \alpha$), this conclusion was drowning. So considering refusal of zero hypothesis & acceptance of the research hypothesis 1, it can be stated that entrepreneurship rate of students is not identical in different levels of internal control focus, and being introvert affects on entrepreneurship.

The research hypothesis 4 which examines the effects of risk-taking was confirmed, and risk-taking affects on entrepreneurship too.

Table 7: Report of the Results of Research Hypothesis 4

Risk-taking	Number	Mean of Entrepreneurship	Standard Deviation of Entrepreneurship	Test statistical Value	P-value
Low Status of Risk-taking	7	30/2	27/04	3/994	0/020

Middle Status of Risk-taking	108	36/2	35/60		
High Status of Risk-taking	34	41/9	38/46		

There is a relatively high difference in the reported entrepreneurship mean values in different levels of risk-taking, so based on studying test results & the probable significant value reported in the above table, it is determined that $P - value = 0/020 < 0/05 = \alpha$. It means that since the probable significant value of test is smaller than critical point, so the statistical zero hypotheses will be refused & the research hypothesis 1 will be accepted. Thus, the general conclusion of this test can be stated that if students have the risk-taking personality, it affects on their entrepreneurship.

3. Discussion & Conclusion

Shumpiter has stated that entrepreneurship is considered as a motor for economic development of societies which unfortunately this motor does not have still fuel in Iran. But any way positive efforts have been done in focusing, commencing and developing this strong economic incentive.

Teaching the entrepreneurship lessons, entrepreneurship and project in universities whether as an independent major or as a teaching subject can be promising. As shown in this research, the effect of this significance on getting the students to be entrepreneur was studied in universities. The objective of this research was measuring the effects of personality characters on entrepreneurship. Although it was expected to confirm the effect of all four personality character on entrepreneurship in this research, but the results shown that two initial hypotheses of this research has been refused based on statistical test i.e. compatibility with situation & self esteem had no significant effect on getting the students to be entrepreneur. But third & fourth hypotheses of this research have been confirmed i.e. risk-taking & internal control focus can be effective on entrepreneurship of students. Therefore, in order to solve the problem of low rate of entrepreneurship in Iran, it is recommended that the attitudes towards internal control focus & risk-taking should be strengthen & risk-taking should be introduced as a value through culture modification & cultural innovations.

In addition, it is claimed that education influences on the ability of individuals, so higher education can affect on individuals' characters & abilities through education positively. Even innate characters such as learning, personality characters and creativity can be improved through education. However, it is more difficult to educate some personality characters, but some researches show that education in lower ages is effective. Thus, educating people particularly in their childhood can be caused that they acquire internal control center, seeking independency, risk-taking & creativity.

4. Resources

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