

## Designing Corporate Support Model with the Dimensions of Corporate Entrepreneurial Orientations in Physical Education Organization of Iran

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### Abstract

Corporate support for entrepreneurship is the most important element for the development of corporate entrepreneurship and is considered as one of the main corporate entrepreneurial antecedents. It involves trust in corporate staff and training them for promoting recognition of opportunities, exploring new and valuable resources, innovative productions and profit-making processes. Corporate support features such as rewarding, managing support and reducing the pressure of work can be regarded as the powerful tools for creating entrepreneurship in corporate. This research was conducted to provide a model based on the relation between corporate support and the dimensions of corporate entrepreneurial orientations in Physical Education Organization. The predictive variables of this study were corporate support components including management support, job discretion, rewarding system and work limitation and the criteria variables of the dimensions of corporate entrepreneurial orientations including innovation, risk-taking, autonomy, competitive aggressiveness and proactiveness in marketing. Besides the above mentioned variables, moderator

variables of population features were also considered. Statistical samples of this research were 202 managers and staff of Physical Education Organization. Research instruments included two questionnaires of corporate entrepreneurial support and corporate entrepreneurial orientations. Cronbach alpha was used for estimating internal dynamism and factor analysis applied for validity of tools. In order to analyze data results, the statistical methods of one group t test were used and finally the method of structural equivalence model benefiting from LISREL software was applied for providing suitable pattern and analyzing the path. The findings showed that Physical Education Organization was not entrepreneurship in relation with the studied entrepreneurial variables. There was a meaningful relation between three components of corporate support (management support, rewarding system and work limitation) and the criteria variables of the dimensions of entrepreneurial orientations at the level of  $\alpha \leq 0.05$ . There was also a positive and meaningful relation between predictive variables of corporate support and the criteria variables of the dimensions of entrepreneurial orientations at the level of  $F=803.65$ ,  $\alpha=0.001$ .

**Keywords:** corporate entrepreneurship, corporate support, corporate entrepreneurial orientation

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## Introduction

During the past years, the amount of organizations' concerns about corporate entrepreneurship has been increased due to social, cultural and competitive pressures. One of the most inexpensive tools for developing a corporation is entrepreneurship which likely has the best outcomes and the most effectiveness. To have a successful corporate it is necessary to have something more than a good attitude and it is to have good entrepreneurs. This requires that the corporation leaves essential responsibilities and freedoms to the entrepreneurs. There are different factors that influence greatly on corporate entrepreneurship such as environmental and cultural situations, time and financial resources, corporate support and leadership, human relations and corporate structure. Corporate support is the most important element for developing corporate entrepreneurship (Antoncic & Hisrich., 2001) and includes training of staff and trust in them for attracting the opportunities (Stevenson & Jarillo., 1990). Corporate support also provides conditions in the organization that inter-corporate entrepreneurial processes can be implemented fast, comfortably and effectively. In other words, it can establish an appropriate corporate environment to direct training of entrepreneurs and support their ideas and innovations (Chandler et al., 2000).

Its features such as rewarding system, managing support, lack of work limitation and work discretion can be regarded as the vital and effective factors on corporate entrepreneurship (Hornsby et al., 1990). The first dimension of corporate support is the usage of proper rewarding system (Morris & Kuratko., 2002). Entrepreneurial behaviors can be encouraged through effective rewarding system in which clear objectives, feedback, individual influence as well as rewards based on outcomes should be considered and can be also related to the

function of the team. Designing a rewarding system which reflects the corporate behavior is very crucial for encouraging entrepreneurship (Sathe., 2003). The changes in sport have necessitated entrepreneurship especially in sport organizations. The swift development of technology such as internet and digital television caused sport marketers to change their methods through media advertisements (Sweeney., 2007). Most of researchers have studied corporate entrepreneurship through five essential entrepreneurial orientations features including innovation, autonomy, proactiveness in marketing, competitive aggressiveness and risk-taking. These factors often work together to enhance the function of corporate entrepreneurship (Dess Gregory & Lumpkin., 2005). Innovation is an essential part of entrepreneurship (Hitt et al., 2001). Entrepreneurial corporations take advantage of innovation for competition in world markets (Ratten., 2010). Schwarz and Hunter (2008) state that innovation in sport can be observed through sport teams, organizations as well as athletes and develop new strategies for increasing their functions. Among the most important innovations in sport during the past decade the following can be mentioned: using computerized statistics for helping better functions of teams, globalizing sport leagues (Castonguay., 2008), wagering based on Web, sport weblogs and sport video games (Mullin et al., 2007), innovation in technology and equipments which resulted in the development of sport (Olivier., 2006). Moreover, the clothes and different kinds of sportswear that are worn by athletes can be also considered. The social innovation has been developed through the activities of the sport world stars (Ratten., 2010). Sporting organizations have pioneered in pursuing new commercial opportunities such as more television covering for increasing marketing and benefiting from stadiums for different applications.

Risk-taking indicates the concerns of corporation for considering different risks accomplished by creating new career, particularly when financial refund encounters no assurance. It is regarded as an evident characteristic of entrepreneurs. Risk-takers in sport can be seen among athletes, organizers of sport events, official authorities, coaches and managers. The level of risk-taking behavior in sport depends on the personality which applies to physical and emotional risk-taking (Olivier., 2006). Sporting web sites also provide a unified and exclusive program for marketing. They sell tickets and attract more corporations for new methods of sporting advertisement through online subscription. Sport corporate entrepreneurship also contains philanthropy and social responsibility. Sporting organizations cooperate with regional subscriptions in order to concentrate on social issues such as children obesity (Desbordes., 2002). Vosta Kalaie (2007) evaluates the effective factors on achieving public entrepreneurial organization. The results indicate that Institute of Standards and Industrial Research lacks the appropriate structural factors such as organizational culture, organizational strategy, accessibility to financial resources, payroll system, organizational structure (organic, mechanical) in order to fulfill entrepreneurial organization. Soleimani (2007) investigates the effective inter-organizational factors in launching entrepreneurial activities of public organizations managers. The factors such as payroll system, support of financial managers, sufficient time, organizational structure and managers' risk-taking are considered. The research findings show that the factors of management support and accessibility to time resources of the studied organization are at the appropriate level and the other factors are not at the desired one. During the past decade, most of the conducted researches focused more on entrepreneurship at other different

fields than sport division. Some of previous studies have investigated the relation between sport and entrepreneurship. The results of researches conducted by Hall (2006) show that sport is naturally entrepreneur. Ball (2005) concludes that although entrepreneurship meets the needs of consumers' demands for changes and facilitates innovation, it is accounted as a crisis in sport (Goldsby et al., 2005). The findings of researches conducted by Stevenson (2001), Heinonen (2003) and Art Saly (2001) indicate that there is a meaningful relation between corporate support and corporate entrepreneurial orientations factors including innovation, proactiveness in marketing and risk-taking (Heinonen & Korvela., 2003). The results of studies done by Yao, Wen & Ren (2009), Omar Merlo and Seigyoung Auh (2009), Irene Hau-Siu (2006), Fredric Kropp and Noel J. Lindsay (2008), Maria Ripolles-Melia, Martina Mangozzata-Boulard and Lus Sanchez-Peinado (2007), Haibin Yang (2004), Lumpkin and Dess (2001), Zahra and Covin (1995) reveal that entrepreneurial orientations such as autonomy, risk-taking, competitive aggressiveness, innovation and proactiveness in marketing have influenced on the corporate function (Yao et al., 2009; Merlo & Auh., 2009; Chow., 2006; Kropp et al., 2008; Yang., 2004; Dess Gregory & Lumpkin., 2001; Zahra S.A., Covin., 1995). Since the above mentioned variables can follow time, place and other different factors, it is necessary to study these variables in each corporation separately. If a sport corporation is an entrepreneurial one, it can provide conditions for its managers, planners, decision-makers and staff to understand the opportunities better and take more advantages of the existing resources for innovation, as a result they can grow faster and endure at national, regional and global competition arena and accomplish their duties well. Therefore, improving and strengthening the mentality

of entrepreneurship in sporting organizations involve providing suitable path. However, in order to answer this question whether Physical Education Organization benefits from appropriate corporate support, it is essential to study the corporate entrepreneurial orientations and corporate support as well as their relation. This can be used as a tool for creating innovative and entrepreneurial opportunities in producing entrepreneurial behaviors, analyzing corporate entrepreneurship situation with suitable entrepreneurial methods, and make necessary plans. Thus, the aim of this research is to provide a model based on the relation between corporate support and the dimensions of corporate entrepreneurial orientations in Physical Education Organization.

### Methods

This research is a kind of descriptive research which has been conducted in the form of field study. The research population included total managers and authorities of Physical Education Organization's federations as well as its staff that were about 525 people (478 staff and 47 managers) out of which 380 people selected as samples and received questionnaires. Out of these questionnaires, about 202 ones were utilizable and this number has been used for analyzing. The predictive variables of this research were corporate support factors including management support, job discretion, rewarding system and work limitation. The criteria variables were the dimensions of corporate entrepreneurial orientations including innovation, risk-taking, autonomy, competitive aggressiveness and proactiveness in marketing. Besides, moderator variables of population features including age, gender, marital status, education, study field, employment, job background, were also considered. The following questionnaires have been used in this study:

1. Researcher-made questionnaire of demographic features. This questionnaire has been made by researcher and consisted of variables such as gender, age, education, study field, employment and job background.
2. Corporate support questionnaire. This questionnaire (with Cronbakh alpha 98%) containing 31 questions with 4 subtests and the amount of corporate support was with Cronbakh alpha 89%, rewarding system with Cronbakh alpha 85%, work discretion with Cronbakh alpha 85% and corporate borders with Cronbakh alpha 86%. It was made by Hornsby et al in the form of CEAI and was evaluated in the framework of seven value scale of Likert as (1) very low and (7) very high (28).
3. Researcher-made questionnaire of the dimensions of corporate entrepreneurial orientations. Corporate entrepreneurship questionnaire (with Cronbakh alpha 99%) included five subtests (innovation, risk-taking, autonomy, competitive aggressiveness and proactiveness in marketing). This questionnaire was evaluated in the framework of seven value scale of Likert as (1) very low and (7) very high.

For being assured of the validity of questionnaires, the views, suggestions and guidance of ten experts in management, sport management and entrepreneurship were used. Cronbakh alpha has been utilized for estimating internal dynamism of questionnaires.

### Data Analysis

For analyzing data results, regression multi-variables, factor analysis and one group t test were used and finally the method of structural equivalence model benefiting from LISREL software was applied for providing suitable pattern and analyzing the path.

## Result

The results of the description of population features: Research samples showed that the average age of population was in the range of 36 to 40; 55% of samples were male, 78.7% were married, 66.3% held bachelor degree, 58.9% have been graduated at physical education program, 64.4% were full time employees, 29.7% had job experience of 11 to 15 years, 77.2% worked 6 to 8 hours daily and 55.4% received monthly salary about 3000,000 to 6000,000 Rials.

### ***1. Physical Education Organization holds corporate support.***

Considering table (1) and focusing on the obtained amount of t, it is stated that there is a meaningful difference between theoretical average and experimental average of "corporate support in corporate entrepreneurship" at the level of  $\alpha \leq 0.01$ . Therefore, since the variable of "corporate support in corporate entrepreneurship" the experimental average is lower than theoretical average, it is indicated that from the viewpoints of research samples the amount of "corporate support in corporate entrepreneurship" is lower than the average level.

### ***2. Physical Education Organization holds the Dimensions of Corporate Entrepreneurial Orientations.***

Considering table (2) and focusing on the obtained amount of t, it is stated that there is a meaningful difference between theoretical average and experimental one in total components at the level of  $\alpha \leq 0.01$ . Therefore, since the experimental average is lower than theoretical average, it is indicated that from the viewpoints of research samples the amount of "entrepreneurial orientations" is lower than the average level.

### ***3. There is a meaningful relation between the corporate support and the dimensions of corporate entrepreneurial orientations in Physical Education Organization.***

Considering table (3) and focusing on the obtained amount of F, it is stated that there is a meaningful relation between

"corporate support" and "entrepreneurial orientations" at the level of  $\alpha \leq 0.01$ . In other words, "entrepreneurship orientations" is predicted through "corporate support". Thus, in order to recognize and describe the regression coefficients it is necessary to consider regression coefficients table.

Considering multi-variable regression coefficients with the method of simultaneous enter, it is set forth that there is a positive and meaningful relation between "corporate support", "work discretion" as well as "work limitation" and "entrepreneurial orientations". It means that if "corporate support", "work discretion" and "work limitation" increase, "entrepreneurial orientations" will increase too.

- A. A positive and meaningful relation is observed between predictive variables of "corporate support" and criteria variables of "innovation", "risk-taking", "competitive aggressiveness", "autonomy" and "proactiveness in marketing" at the level of  $t=5.80$ ,  $\alpha=0.001$ .
- B. A positive and meaningful relation is observed between predictive variables of "work discretion" and criteria variables of "innovation", "risk-taking", "autonomy" and "proactiveness in marketing" at the level of  $t=4.13$ ,  $\alpha=0.001$ . However, a meaningful relation is not observed with "competitive aggressiveness".
- C. A meaningful relation is not observed between predictive variables of "rewarding system" and criteria variables of "innovation", "risk-taking", "autonomy" and "proactiveness in marketing" at the level of  $t=0.93$ ,  $\alpha=0.351$ . However, a positive and meaningful relation is observed with "competitive aggressiveness" at the level of  $t=2.44$ ,  $\alpha=0.015$ .
- D. A meaningful relation is observed between predictive variables of "work limitation" and criteria variables of

"innovation", "risk-taking", "competitive aggressiveness", "autonomy" and "proactiveness in marketing" at the level of  $t=6.47$ ,  $\alpha=0.001$ .

Figure 1 also shows regression model predicting entrepreneurial orientations based on components of corporate support using Lisrel software. The specifications

of the model indicate that it enjoys a thoroughly appropriate fitness. In this figure, management support shown as HEMAYAT, job discretion as SALAHDID, rewarding system as SYSTEM, work limitation as MAHDODIA and corporate orientation entrepreneurship as OE.

Table 1. One group t for studying the current situation of the viewpoints of research samples regarding to "evaluation of corporate support in corporate entrepreneurship"

theoretical average	experimental average	amount of t	freedom degree	meaningful level
4	2.80	-14.41	201	0.001

Table 2. One group t for studying the current situation of the viewpoints of research samples regarding to "entrepreneurial orientation"

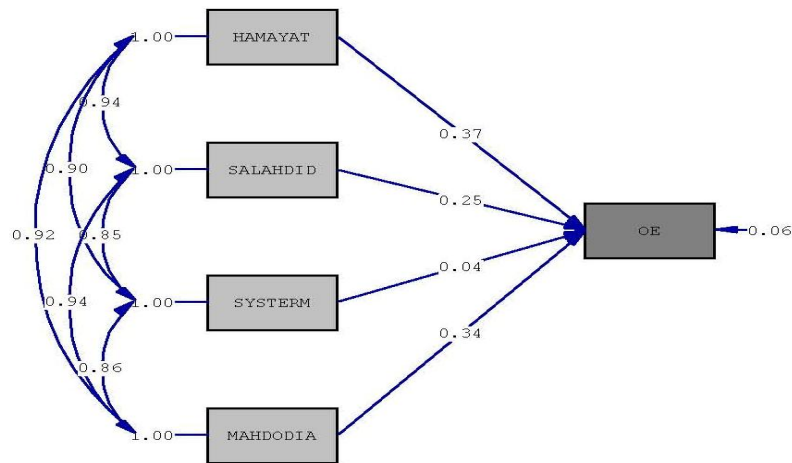
theoretical average	experimental average	amount of t	freedom degree	meaningful level
4	2.86	-12.90	201	0.001

Table 3. Multi-variable regression for predicting "entrepreneurial orientation" through "corporate support"

source of changes	total squares	freedom degree	average of squares	amount of f	meaningful level
regression	471526.69	4	117881.67	803.65	0.001
balance	28896.28	197	146.68		

Regression coefficients related to table 3

criteria variable	predictive variables	amount of B	Beta coefficient	amount of t	meaningful level
entrepreneurial orientation	management support	1.25	0.21	5.80	0.001
	work discretion	1.45	0.35	4.13	0.001
	rewarding	0.29	0.31	0.93	0.351
	work limitation	2.85	0.44	6.47	0.001



Chi-Square=6047.47, df=0, P-value=1.00000, RMSEA=0.000

Figure 1. Regression model predicting entrepreneurial orientations based on corporate support factor

### Discussion and conclusion

The research findings show that Physical Education Organization is lower than the expectation level with respect to corporate support and entrepreneurial orientations. Many conducted researches in this field indicate the lowering level of the components of corporate support at the investigated organizations. Jeffrey S. Hornsby, Kuratko, Shaker and Zahra (2001) investigate the measuring tools of internal factors affecting on corporate entrepreneurship influenced by corporate support. In this experimental research the organization's internal factors influenced by corporate support consist of senior management support, work discretion, rewarding system, work limitation and organizational borders. Using effective rewarding increases motivation with the aim of feedback and focusing on individual responsibilities. Senior management support facilitates usage of new ideas. Furthermore, senior managers should provide necessary resources for initiative activities in order to encourage and risk-taking. The findings show that these factors are not at the desired level. Mathew W. Ruther and Daniel T. Holt (2007) study the components of corporate

support such as suitable using of reward and senior management support as the factors of corporate entrepreneurship. Skiving and Karina (2005) also investigate the efficient factors in strengthening the established companies including rewarding and senior manager's support. The findings show that these factors are at the average level in the examined organizations.

Most of conducted researches on the dimensions of entrepreneurial orientations have studied the relation between these factors and the functions of the investigated organizations and they have hardly studied the relation of these dimensions and the corporate entrepreneurial antecedents' factors and also even these factors have rarely been evaluated. In a survey of innovation, suitable usage of rewarding system and senior management support, Mathew W. Ruther and Daniel T. Holt (2007) indicate that corporate support has positive influence on innovative corporate orientation. They have also studied entrepreneurial orientations at small and medium servicing organizations. The results reveal a relation between entrepreneurial orientations and improvement of the functions of these

organizations. Moreover, regarding competitive aggressiveness in organizations, Cloud D. Aspremont (2010) shows in an investigation that manager's decision-making has great effect on competitive aggressiveness and it influences highly on improvement of their functions. Alpan, Bulut and Gunday (2010) examine the direct and mutual effects of corporate support on innovative organizational function. The dimensions of corporate support in this research are: management support for producing and developing new commercial ideas, allocating free time, autonomy in decision-making, appropriate encouraging and rewarding, enduring failure in innovation and implementing risk-taking projects. Corporate support dimensions are considered as independent variables and innovative function as dependent one. Human capitals has moderator role in this study. The findings show that management support of corporate entrepreneurship, enduring risk-taking and work discretion have direct and positive role on organizational innovation whereas appropriate rewarding system and work limitation has no influence on it.

As a whole, it can be stated that Physical Education Organization is not an entrepreneurial corporate with regard to the studied variables and it is necessary to pay attention to the components of corporate support. Physical Education Organization should encourage new ideas for development of corporation. Furthermore, the head of the organization should be knowledgeable and accept the suggestions of the managers and staff. Its development should be accomplished through improving new and innovative ideas. The staff that advance via innovation and provide successful and innovative projects should be encouraged and receive extra salary and fee. The funds should be available for implementation of new projects. The term of risk-taking should have a positive attitude in the organization. The staff should be

encouraged to share their new ideas with other staff at different divisions. Corporation should support the projects that are not likely successful, provide an opportunity for staff to be innovative and present new ideas, bring about the possibilities for them to judge individually and use their potential. Corporate managers help the staff by removing obstacles and also reward them as befitted to their activities. The people who have carried out their duties well should have positions in the corporation and eventually the more defined and standard processes of job and the less rules and guidelines for working should be followed.

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