The Relationship between Organizational Climate Dimensions and Corporate Entrepreneurship  
(Case Study: Meshkinshahr Payam Noor University, Iran)

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Abstract
The aim of this study is to examine the organizational climate dimensions such as clarity and agreement on goals, clarity and role agreement, satisfaction of the rewards, satisfaction and agreement on procedures and effective communication with corporate entrepreneurship. The research statistical population consists of 36 employees in Meshkin Shahr Payam Noor University. Due to its importance, there are no selected data from this population as a sample and all data were used as sample for analyses. Data collection instrument is library studies and field studies. In order to collect data from field studies, corporate entrepreneurship questionnaire and organization climate dimension questioner were used. Validity of questionnaire was confirmed formally and reliability was calculated by Cronbach's alpha and finally corporate entrepreneurship questionnaire was calculated 0.78, and constituent elements of knowledge management questionnaire were reached 0.88. In this study, the Pearson correlation was used to test the research hypotheses, and data were analyzed by SPSS 18 software. The results showed that there is a meaningful relationship between organization climate dimension with corporate entrepreneurship and among organization factors; high correlation was obtained with satisfaction and agreement on procedures. Also, it can be said that tendency toward entrepreneurship in employees of Meshkin Shahr University is 11.1% in average level, 80.6% in high level and 8.3% in very high level.

Keywords: corporate entrepreneurship, organization climate dimension, satisfaction and agreement on procedures, clarity and agreement on goals.

Introduction
Organizational knowledge and management have been fundamentally changed over the past hundred years. Organizations have considered creativity and innovation in order to accelerate changes from middle of 1980. Nowadays they have to be innovative to survive, so the best way to be creative person in organizations is to be an entrepreneur that this is achieved through freedom and feasibility of access to different resources to pursue the goals. Hersey and Blanchard believe that the important task of a manager or a leader is to interact with external variables. The mangers should have eminent entrepreneurship characteristics in order to find appropriate solution and achieve organization goals by emphasize on findings and studies on management scopes. This issue is more important among corporate middle managers.

Middle managers plan middle term programs for organizations and set the goals for senior management for comment on the comprehensive and ready to run plans. They analyze lower-level manager’s performance and readiness for promotion of various issues and consulting on services. In general, organization climate concept became popular in late 60th decade and it was evolved in 80th decade. It includes organizational structure and conditions governing on selection and assignment of personnel and expertise, supervision, program planning, organization, system, bonuses, interpersonal relationships, rules, regulations, assignment of responsibilities and support of staff in organization. Describing aspects of interpersonal situations are more emphasized in this relation. Some authors have described details like: degree of management support according to new employees and conflicts between or within agencies and sectors. Another group defines climate as institutional and bureaucratic constraints, degree of freedom of employees in decision making, rewarding, risk taking and responsibility and support of stuff.

The climate in the organization acts for support risks and innovative work and subordinates. Climate is a category that is used to describe the characteristics of agencies and units. Despite the high correlation between organizational climate and organizational culture they are distinct from each other. Richard and Schneider believe that climate is formal and informal organizational vision, actions and methods. Generally speaking, it can be said that organizational climate involves relative index.
of a property and feasibility of beliefs and it is used for research on beliefs and expectations. According to Litwien and Strinch modeling organization climate is individual perceptions of organization and it is defined as sense of independence in terms of organizational structure, rewards, consideration, intimacy, support and openness. Alageband defines it as quality of the climate (as the members experience and perceive quality). Croft and Halpin define the organization climate as internal characteristics that distinguish an organization from another that impact on individuals' behavior. Organizational climate is measured by employees' perceptions and descriptions of the characteristics. In general, scholars have offered different definitions on organization climate but this fact that climate is measured by employees' perception is common.

**Corporate entrepreneurship:** a process by which an entrepreneur brings to fruition his entrepreneurial activity by supporting of an organization. However corporate entrepreneurship has recently entered as a concept in the management literature that is related to an organization's approach to entrepreneurship rooted in entrepreneurship literature. Fry believes that corporate entrepreneurship is a process in which goods (services) or innovative processes are offered by creating an entrepreneurial culture. To be successful, corporate entrepreneurship must be realized from the perspective of strategic management. Corporate entrepreneurship should be part of the scheme of extensive strategic and integral part of an organization. There are three reasons for achieving organizational strategic management perspective in entrepreneurship: first, corporate entrepreneurship influences on long-term organizational performance especially on adaptation and survival. Since these elements shape strategic management foundation so strategic management approach leads the managers to react to changes in the external environment that are consistent over time; second, the organizational procedures need to be accepted must be approved by a senior manager. Integration between corporate entrepreneurship and strategic management process helps to commitment. Organizational hierarchy is necessary in all levels in order to succeed of an entrepreneur; third, corporate entrepreneurship involves actions as part of the scheme considered strategic in an organization. Development of new products and services, innovation in products and services and establishing new branches are results of entrepreneur organization.

**Models of entrepreneurship:** Researchers have offered different theoretical and practical frameworks to establishing entrepreneurial organizations. Some of these models are referred: i. Cornwall and Perlman corporate entrepreneurial model based on strategic management approach. ii. Echols and Neck corporate entrepreneurial model: this model shows organization's ability to survive in innovative environment. iii. Kurato and et al corporate entrepreneurial model that introduces interaction of events occurred in a vacuum as generator of entrepreneurial organization. iv. Antonic-Hisirich corporate entrepreneurship dimensions: these researchers considered eight corporate entrepreneurship dimensions. They believe that corporate entrepreneurship should be considered as a multidimensional concept. The dimensions are as follows: i. new ventures and new business: new outstanding units can be led to the creation of new business within the organization. New ventures founded in large and small firms could establish very formal independent or semi-independent units known as incubation entrepreneurship. These independent institutions can be within or outside of the organization. ii. Following new business by redefining of production companies or developing new markets as an important element of entrepreneurship within the organization. While a new organization is born in the case of establishing new firm change in the organizational structure is done. iii. Product-service innovates and processes innovative: Unlike the previous dimensions, innovative products or services relate to innovation by emphasis on innovation in technology development. Corporate entrepreneurship includes new products and improvement of practices and procedures. Knight considers development and improvement of products and services such as production techniques and technology as part of the organizational and production innovation and entrepreneurship. Zahra defines technology as innovation of manufacturing enterprises. Introduction of new products is considered in the production process. According to this distinction and contrary to previous research on corporate entrepreneurship the innovative product-service is distinct from the process of innovation. iv. Self-renewal: transformation of organizations through renewal of key idea that the organization has been built based on accordingly. This trend means changing the organizations strategy and it involves redefining the concept of business re-organization and presentation changes in the innovation system. v. Organizational commitment: Muzyka and et al believe in continuous renewal of business, flexibility and ability to adapt plasticity as key features of entrepreneurship. Stopford and Baden Fuller consider activities related to the restructuring of organization as an element of the entrepreneurial enterprise. Thus, self-renewal can be considered as an important dimension of entrepreneurship. vi. Risk taking: Risk-taking is one of the most important entrepreneurship elements within the organization. Risk-taking is considered as an inherent feature of the invention, forming new business and the existing organization be seen as competitive aggressive opportunity to risk taking and use of resource for quick and courageous actions. According to research, risk taking can be considered as a dimension of entrepreneurship within the organization which viewed in relation to other aspects of the organization. vii. Prognosis: it is a dimension to pursue opportunity for entering new markets. Sometimes is used for identification of key areas such as trade mark, introduction of products and services, using technology and techniques based on future needs. Organizations try to follow the lead of their competitors. viii. Competitive aggressiveness: it is defined as desire of the company to aggressively entrepreneurship. Covin and Slevin believe that entrepreneurship is reflected as tendency toward aggressive completion with industrial rivals.
Aggressive competition is viewed as a managerial orientation described as enthusiasm for the organization over competitors. Most researchers have considered aggressive competition separate from prognosis and those who follow entrepreneurs forget these two elements, while others distinguished between these two dimensions. As Lumpkin and Slevin stated aggressive competition and prognosis can be considered two distinct enterprises entrepreneurial. With this approach the difference is due to the fact that prognosis is response to opportunities while aggressive competition is responses to threats. This difference also has been demonstrated experimentally.

**Factors influencing on corporate entrepreneurship:** Moghimi classifies factors influencing entrepreneurship into three subcategories:\(^19\):

**Entrepreneurial structural factors:** include issues such as organizational structure, organizational strategy, payroll and salary system, financial system and funds, information systems, research and development systems, surveillance systems, human resources systems and processes and methods.

**Entrepreneurial behavior:** include issues such as organizational culture, motivation, human resources, leadership, characteristics of employees and managers, human resource training and human communication systems.

**Context entrepreneurial factors:** include issues such as communicating with clients, political and legal environment, and socio-cultural and regulatory environment.

**Review of literature:** Hossein Reza Zadeh\(^20\) studied the relationship between organizational structure and organizational entrepreneurship in Tehran in social security and achieved following results: there is a significant relation between complexity of the organizational structure and corporate entrepreneurship. However, obtained correlation coefficient was curves and showed there is an inverse relationship between complexity of the organizational structure and corporate entrepreneurship. This means that separation of organizational units or departments into categories, levels of management and geographic dispersion are inversely related to corporate entrepreneurship. There is a significant relationship between organizational structure recognition and corporate entrepreneurship but correlation coefficient showed inverse relationship between organizational structure and organizational entrepreneurship. Seyed Muhammad Moghimi\(^19\) studied optimal model for organization using entrepreneurship to examine the capabilities of nongovernmental organizations and feature to offer a good model for structural factors and behavioral and organizational context proportionate with corporate entrepreneurs. Mohamdreza Pakjoo\(^21\) investigated the relationship between organizational culture (Hofsted cultural model) and interactive model of the corporate entrepreneurship characteristics (Kuratko pattern) in the management of Tejarat Bank branches in Tehran and East Azerbaijan. The findings of the study indicate that there is a meaningful relationship in dimensions of individualism, collectivism, power distance dimension relationship, avoidance of uncertainty with organizational entrepreneurship. Abbaszadegan\(^22\) reported that empirical evidences indicate entrepreneur organizations are associated with creating jobs significantly.

Nourozi\(^23\) in a study of the relationship between psychological factors and cognitive empowerment and entrepreneurship in branches of Mellat Bank came to the conclusion that there is a significant relationship between sense of being meaningful and effectiveness. Jahngiri\(^24\) in a research on designing of entrepreneurship paradigm in state and organizations and customs in Iran offered an optimal paradigm for entrepreneurship with communications among variables and their effect on each other that it is a model for substantiation and measuring and selection of an appropriate strategy.

Randall Schommer quoted Davidsson and Wiklune\(^25\) that there is a relationship between freedom and encouragement resulted of structural factors and organizational procedure and develop entrepreneurial organization believing that if the mentioned elements are followed the entrepreneurial activity is promoted from bottom to up and independent units and groups of risk are independent of the company and bureaucracy is minimizing and flexibility is increased. Amabile and et al achieved significant relationship between trust and organizational entrepreneurship in the workplace. Trust has positive effect on innovation by communication. So, trust is increased by opening communication channels. Sundbo investigated balancing of empowering strategic resources based on organizational innovation model in service companies with low technology in Denmark and found that firms carry out innovative activities by two systems: first: R&D and second: empowering system\(^26\). Eyal and Inbar\(^27\) in a study of the impact of corporate entrepreneurship and willingness to market found a negative and significant correlation between age and entrepreneurship and this has shown that young people are more likely talented to develop entrepreneurial effectiveness. Brizek studied the relationship between entrepreneurship and management performance. The study sample consisted of 120 managers, middle managers and upper management team of restaurants. In this study it was shown that there is a relationship between entrepreneurship and management performance. Management uses more personnel the organizations will progress towards CE\(^28\). Eyal and Karl\(^27\) studied the relationship between leadership styles and different strategies of entrepreneurship in different non-profit and public schools. The research was done on a sample of 1395 teachers worked under supervision of 140 school administrators. They offered a conceptual framework for understanding organizational entrepreneurship strategies. Based on the results, transformational leadership is actively encouraging entrepreneurship strategy to help for fundamental change. While control leadership could only change limited scopes by deliberate entrepreneurship strategy. Inhibition passive leadership style restricts entrepreneurship mainly using
the conservative strategy. The ultimate result was that although transformational leadership provides conditions for consistent management for corporate entrepreneurship but the relationship is complex in this case (Quoted from the Snipes et al 2004)²⁶.

Mohammad Hussein Ali khani in his MA thesis at university of Isfahan investigated organizational climate in Military university by survey and questionnaire method and used OCDQ based primarily on teaching staff and students' perceptions of research he described various aspects of the organizational climate by openness index formula to determine the degree of openness of the faculty and students' perceptions of organizational climate. He concluded that students and professors' perception influences on their commitment. Heshmat Khah studied organization climate and its effect on organization alienation and concluded that management style influences on organization climate and organization alienation³⁰. A study by Hurley and Holt investigated the relationship between organizational climate dimensions including learning and development, participation in decision making in the organization, management support, coordination, concentration of power in organization, communication, conflict, and risk tolerance and innovation³⁰. The results show that the most important innovation consequences are seen on participation in decision making and organizational learning and growth. There is a positive relationship between organizational climate, learning and development, participation in organizational decision-making and management support and innovation³¹. Hafer and Gresham studied organizational dimension consequences and markets orientation. The results showed that the organizational climate dimensions including: top management emphasis on market collective intelligence, dynamic organization, inter-group conflict, communication, official preparation, participation, goals, focus, system of rewards, risk taking and the spirit of harmony and unity in organization. There is positive relationship among top management emphasis on market collective intelligence, participation, organizational objectives, risk taking, and reward system and market orientation and there is a negative relationship among inter-group conflict, the official preparation and focus of market oriented measures. Finally, as another mechanism it can be said related to organizational climate and culture of innovation, implementation of organizational climate dimension supports innovation culture. West in study in the UK oil companies showed that work groups, and organizational climate create optimal working atmosphere to accepting new and original ideas and values. He also studies a model of four factors resulting in innovations to create a working environment which ensures the participation of the innovative support performance. According to the research theoretical and principles and literature the aim of this research is to investigate the relationship between organizational climate and corporate entrepreneurship.

Material and Methods

Present study is applied according to the goal and it is descriptive survey based on data collection. The study population consisted of 36 employees at Mesghan shahr Payam Noor University that this number is selected because of the importance and efficiency of the entire population. In order to collect data from field studies the author made corporate entrepreneurship questionnaire and organization climate dimensions standard questionnaire were used. The validity of the questionnaire was confirmed as nominal and the reliability was achieved 0.78 for organizational entrepreneurship questionnaire and 0.88 for organizational climate questionnaire by Cronbach alpha coefficient. Data analysis was performed using SPSS software and Pearson's correlation coefficient was used to test the hypotheses.

Results and Discussion

In this research in order to analysis of the data and test of hypotheses Pearson correlation coefficient were used.

Hypotheses test: Hypothesis 1: There is a significant relationship between clarity and agreement on goals and corporate entrepreneurship.
Table 1

<table>
<thead>
<tr>
<th>Variable</th>
<th>Significance level</th>
<th>Correlation coefficient</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity and agreement on goals</td>
<td>36</td>
<td>0.404</td>
<td>0.014</td>
</tr>
<tr>
<td>Corporate entrepreneurship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In table 1 the relationship between clarity and agreement on goals and corporate entrepreneurship is shown. According to achieved correlation coefficient of 0.014 in this table since this significance level is less than 0.05 so by confidence level of %95 it can be said that there is a significant relationship between clarity and agreement on goals and corporate entrepreneurship. According to correlation coefficient of 0.404 it can be said that there is a positive relationship between these two variables so that by increase of clarity and agreement the entrepreneurship goals is increased in Meshkinshahr Payam Noor University.

Hypothesis 2: There is a significant relationship between clarity and agreement on roles and corporate entrepreneurship.

Table 2

<table>
<thead>
<tr>
<th>Variable</th>
<th>Significance level</th>
<th>Correlation coefficient</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity and agreement on roles</td>
<td>0.024</td>
<td>0.374</td>
<td>36</td>
</tr>
<tr>
<td>Corporate entrepreneurship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In table 2 the relationship between clarity and agreement on roles and corporate entrepreneurship is shown. According to achieved correlation coefficient of 0.024 in this table since this significance level is less than 0.05 so by confidence level of %95 it can be said that there is a significant relationship between clarity and agreement on roles and corporate entrepreneurship. According to correlation coefficient of 0.374 it can be said that there is a positive relationship between these two variables so that by increase of clarity and agreement the entrepreneurship goals is increased in Meshkinshahr Payam Noor University.

Hypothesis 3: There is a significant relationship between satisfaction on rewards and corporate entrepreneurship.

Table 3

<table>
<thead>
<tr>
<th>Variable</th>
<th>Significance level</th>
<th>Correlation coefficient</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction rewards</td>
<td>0.003</td>
<td>0.488</td>
<td>36</td>
</tr>
<tr>
<td>Corporate entrepreneurship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In table 3 the relationship between satisfaction on rewards and corporate entrepreneurship is shown. According to achieved correlation coefficient of 0.003 in this table since this significance level is less than 0.05 so by confidence level of %95 it can be said that there is a significant relationship between satisfaction on rewards and corporate entrepreneurship. According to correlation coefficient of 0.488 it can be said that there is a positive relationship between these two variables so that by increase of satisfaction on rewards the entrepreneurship goals is increased in Meshkinshahr Payam Noor University.

Hypothesis 4: There is a significant relationship between satisfaction and agreement on procedures and corporate entrepreneurship.

Table 4

<table>
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<th>Variable</th>
<th>Significance level</th>
<th>Correlation coefficient</th>
<th>No.</th>
</tr>
</thead>
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<tr>
<td>Satisfaction and agreement on procedures</td>
<td>0.000</td>
<td>0.721</td>
<td>36</td>
</tr>
<tr>
<td>Corporate entrepreneurship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In table 4 the relationship between satisfaction and agreement on procedures and corporate entrepreneurship is shown. According to achieved correlation coefficient of 0.000 in this table since this significance level is less than 0.05 so by confidence level of %95 it can be said that there is a significant relationship between satisfaction and agreement on procedures and corporate entrepreneurship. This relationship is accepted in error level of 0.01. According to correlation coefficient of 0.721 it can be said that there is a positive relationship between these two variables so that by increase of satisfaction and agreement on procedures the entrepreneurship goals is increased in Meshkinshahr Payam Noor University.

Hypothesis 5: There is a significant relationship between effective communication and corporate entrepreneurship.

Table 5

<table>
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<th>Variable</th>
<th>Significance level</th>
<th>Correlation coefficient</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective communications</td>
<td>0.000</td>
<td>0.685</td>
<td>36</td>
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<tr>
<td>Corporate entrepreneurship</td>
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</tbody>
</table>

In table 5 the relationship between effective communication and corporate entrepreneurship is shown. According to achieved correlation coefficient of 0.000 in this table since this significance level is less than 0.05 so by confidence level of
%95 it can be said that there is a significant relationship between effective communication and corporate entrepreneurship. This relationship is accepted in error level of 0.01. According to correlation coefficient of 0.685 it can be said that there is a positive relationship between these two variables so that by increase of effective communication the entrepreneurship goals is increased in Meshkinshahr Payam Noor University.

**Question 1:** What is the status of corporate entrepreneurship in Meshkinshahr Payam Noor University?

According to table 6 it can be said that mean score of corporate entrepreneurship is 42.03 among employees of Meshkinshahr Payam Noor University. Minimum score is 12 and maximum score is 60 for corporate entrepreneurship questionnaire. As it is seen mean score is 42.03 with standard deviation of 4.867 and skewness of -0.549. So that lowest score and highest score for corporate entrepreneurship are 30 and 51 respectively according to table 5. Table 7 depicts that tendency toward entrepreneurship in employees of Meshkin Shah University is 11.1% in average level, 80.6% in high level and 8.3% in very high level. So it can be concluded that corporate entrepreneurship is high among employees of Meshkin Shahr University.

**Conclusion**

Creating new businesses and innovation in organizations improves organization's competitiveness and performance. According to importance of entrepreneurship especially corporate entrepreneurship and providing context for institutionalization of entrepreneurship this article investigate the relationship between organizational climate dimensions and corporate entrepreneurship in Meshkin Shahr University. The results indicate that there is a significant and positive relationship among organizational climate dimensions such as clarity and agreement on goals, and agreement on the definition, satisfaction, reward, satisfaction and agreement on effective communication and practice of entrepreneurship. In order to internalize organization entrepreneurship in Meshkin Shahr University following are suggested: providing qualified and experienced personnel to perform team work, get feedback from other entrepreneurs, familiarity with concepts such as creative idea and opportunity to spend necessary time to transform an idea into business opportunity, following posed idea of potential employees, allocate part of the budget to risky activities, familiarity with successful entrepreneurs, clarifying of objectives and roles and reflection of the employees aids to create job satisfaction and give feedback to the staff.

**References**

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**Table 6**

<table>
<thead>
<tr>
<th>Variable</th>
<th>mean</th>
<th>SD</th>
<th>Skweness</th>
<th>Highest data</th>
<th>Smallest data</th>
<th>Conversion range</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate entrepreneurship</td>
<td>42.03</td>
<td>4.867</td>
<td>-0.549</td>
<td>51</td>
<td>30</td>
<td>21</td>
<td>36</td>
</tr>
</tbody>
</table>

**Table 7**

<table>
<thead>
<tr>
<th>Corporate entrepreneurship</th>
<th>Number of grade</th>
<th>Grade</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Reliable percentage</th>
<th>Collective percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Very low</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>low</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Middle</td>
<td>4</td>
<td>11.1</td>
<td>11.1</td>
<td>11.1</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>High</td>
<td>29</td>
<td>80.6</td>
<td>80.6</td>
<td>91.7</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Very high</td>
<td>3</td>
<td>8.3</td>
<td>8.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>36</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
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