



**UNIVERSITI PUTRA MALAYSIA**

**RELATIONSHIPS BETWEEN PERSONAL QUALITIES,  
ORGANIZATIONAL FUNCTIONS, ENVIRONMENTAL FACTORS, AND  
SUCCESS OF ENTREPRENEURS IN IRANIAN SMALL MANUFACTURING  
FIRMS**

**YAGHOOB MAHARATI**

**GSM 2011 4**

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**BY**

**YAGHOOB MAHARATI**

**Thesis Submitted to the Graduate School of Management Universiti Putra  
Malaysia, in Fulfilment of the Requirement for the Degree of Doctor of  
Philosophy**

**December 2010**

## DEDICATION

This thesis is dedicated to:

My Family:

My Mother, My Wife, and My Children

Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Doctor of Philosophy

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**Chairman: Professor Raduan Che Rose, PhD.**

**Faculty: Graduate School of Management**

Scholars and practitioners constantly report on the significance of research on entrepreneurship in upholding the performance of small industries. Nevertheless, little has been established in the literature on entrepreneurial studies in the Iranian context. Hence, this has induced the present research to explore the relationship between personal qualities, organizational functions, and environmental apprehension with a moderator role of national culture on the success of entrepreneurs in small manufacturing firms in Iran. To fulfil the aims of the research, a quantitative research design with self-administered questionnaire was employed. The respondents were selected from the directory of small manufacturing firms provided by Iran Small Industries & Industrial Parks Organization (ISIPO). Based on the probability sampling design, 600 entrepreneurs were chosen across all the regions in Iran to participate in the study. The mail survey yielded 240 completed responses, which were included in the final analysis. The objectives of the study were reviewed using appropriate descriptive and inferential statistical procedures. The results of the

analysis revealed that entrepreneurs with high need for achievement, high level of risk taking, and high locus of control are more successful than those with low level of these qualities. On the other hand, this study found a significant positive linear relationship between personal qualities and entrepreneurs' success in terms of growth (i.e., sales, employee, and profit) and survival. Interestingly, the relationship between organizational function, governmental support system, and entrepreneurs' success was found to be significant, positive, and linear. Besides, the relationship between personal qualities and entrepreneurs' success in terms of growth was completely found to be moderated by the national culture (i.e., human orientation, assertiveness, and performance orientation) within the small manufacturing firms in Iran. In addition, the findings of this study spawn remarkable implications for both the theory and practices. This study supports previous research findings that small entrepreneurial companies' success is a multi-dimensional construct. Thus, the success of entrepreneurs in small companies needs to be addressed at individual, organizational, and environmental levels. Furthermore, the moderating role of national culture remains vital and cannot be compromised in future research. Hofstede's extended framework, i.e., the Global Leadership and Organizational Behaviour Effectiveness (GLOBE) research programmed, which was adopted in this study, proves that the acquaintance on national culture helps entrepreneurship progression.

Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Doktor Falsafah

**HUBUNGAN ANTARA KUALITI PERBADI, FUNGSI ORGANISASI,  
FACTOR PERSEKITARAN DAN KEJAYAAN USAHAWAN IRAN DALAM  
FIRMA PERKILANGAN KECIL**

Oleh

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Ahli akademik dan para pengamal sentiasa melaporkan kepentingan penyelidikan mengenai keusahawanan dalam meninggikan prestasi firma perkilangan kecil. Tetapi hanya sedikit liputan literatur yang dilaporkan dalam konteks negara Iran. Oleh yang demikian, ini menggalakkan penyelidikan ini untuk mengenal pasti hubungan antara kualiti peribadi, fungsi organisasi dan kebimbangan persekitaran dengan peranan budaya kebangsaan sebagai penyederhanaan dalam kejayaan usahawan firma perkilangan kecil di Iran. Untuk mencapai matlamat kajian, kaedah kuantitatif telah dipilih dan soal selidik digunakan. Responden telah dipilih dari direktori yang dibekalkan oleh *Iran Small Industries & Industrial Parks Organization (ISIPO)*. Dengan berpandukan kepada reka bentuk pensampelan kebarangkalian, 600 usahawan telah dipilih dari pelusuk tempat di Iran untuk menyertai penyelidikan ini. 240 soal selidik telah diterima melalui mel dan digunakan dalam analisis akhir. Matlamat kajian ini telah diulas dengan menggunakan prosedur statistik deskriptif dan berdasarkan inferens. Hasil analisis kajian ini menunjukkan usahawan dengan

keinginan tinggi untuk berjaya pengamatan risiko tinggi dan kawalan lokus yang tinggi didapati lebih cemerlang dari mereka yang mempunyai tahap pencapaian rendah dalam semua kualiti ini. Kajian ini juga mengenal pasti satu hubungan linear positif yang penting antara kualiti peribadi dan kejayaan usahawan dari segi perkembangan (jualan, pekerja dan keuntungan) dan kesinambungan hidup. Tambahan pula, hubungan antara fungsi organisasi, sistem sokongan kerajaan dan kejayaan usahawan didapati signifikan, positif dan linear. Di samping itu, hubungan antara kualiti peribadi dan kejayaan usahawan dari segi perkembangan didapati keseluruhannya disederhanakan oleh budaya kebangsaan (orientasi kemanusiaan, sifat pendesak dan orientasi pelaksanaan) dalam lingkungan firma perkilangan kecil di Iran. Hasil kajian ini mempunyai implikasi dari aspek teori dan amalan. Kajian ini turut penemuan kajian lepas di mana kejayaan syarikat-syarikat keusahawanan kecil adalah satu binaan pelbagai dimensi. Oleh yang demikian kajian mengenai keusahawanan perlu meliputi tahap individu, organisasi dan persekitaran dan fungsi penyederhanaan budaya kebangsaan adalah penting yang tidak boleh diabaikan dalam semua kajian keusahawanan akan datang. Perkembangan dalam rangka kerja Hofstede, iaitu penyelidikan GLOBE, telah diadaptasikan dalam kajian ini dan membuktikan bahawa pengetahuan budaya kebangsaan membantu pembangunan keusahawanan.

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I certify that an Examination Committee met on 22<sup>nd</sup> December, 2010 to conduct the final examination of **Yaghoob Maharati** on his **Doctor of Philosophy** thesis entitled **“Relationships between Personal Qualities, Organizational Functions, Environmental Factors, and Success of Entrepreneurs in Iranian Small Manufacturing Firms”** in accordance with Universities and University Colleges Act 1971 and the Constitution of the Universiti Putra Malaysia [P.U. (A) 706] 15 March 1998. The Committee recommends that the candidate be awarded the Doctor of Philosophy degree. Members of the Examination Committee are as follows:

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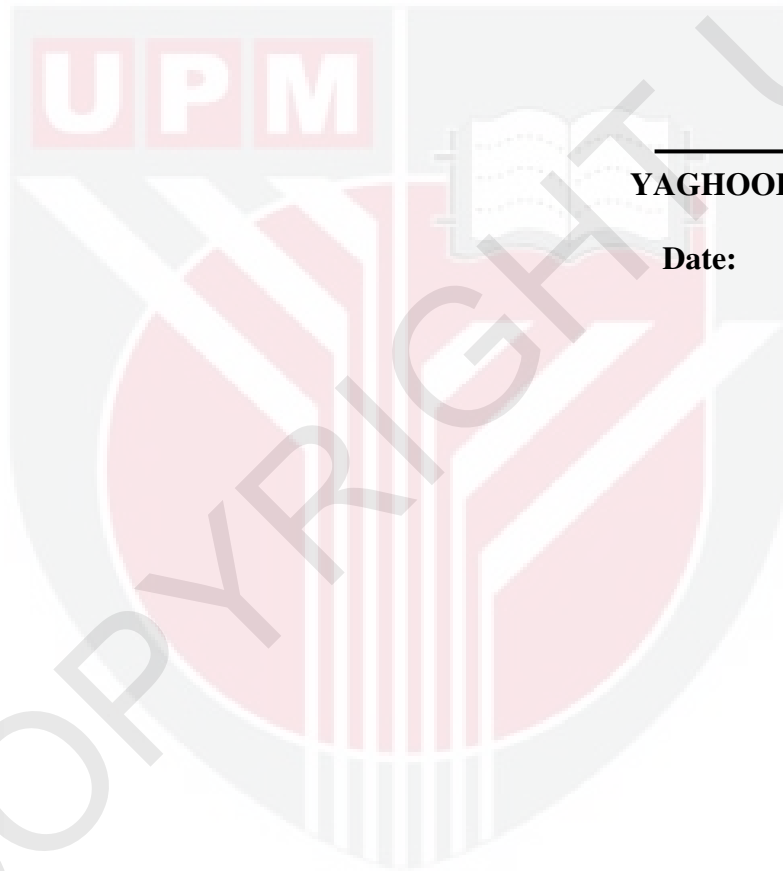
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## DECLARATION

I hereby declare that the thesis is based on my original work except for quotations and citations, which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at UPM or any other institutions.



\_\_\_\_\_  
**YAGHOOB MAHARATI**

**Date:**

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