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The Study of Relationship between Strategic Thinking and Organizational Entrepreneurship

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ABSTRACT

Objective: This study aims to investigate the relationship between managers' strategic thinking and organizational entrepreneurship in governmental and non-governmental organizations of Roudehen city. **Background:** 200 managers are considered as the statistical population. This research has the descriptive-correlative type and 132 samples are selected by Morgan technique through stratified random sampling method. The researcher-made questionnaire of strategic thinking and also the standard Likert questionnaire of organizational entrepreneurship are the research tools. **Results:** The findings suggest that there is a significant relationship between dimensions of focus on the purpose and progress with organizational entrepreneurship, but no significant relationship between dimensions of strategic, time saving and intelligent thinking and organizational entrepreneurship. Furthermore, the sixth hypothesis of this paper is rejected. **Conclusion:** The managers, who have the strategic thinking, will have no greater impact on the thinking than the task-oriented managers. The enhanced systematic thinking and managers' task-orientation are among the ways for enhancing the entrepreneurship in the organization.

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INTRODUCTION

Since the past decade, the strategic thinking has been taken into account in strategic management field and numerous studies have focused on the importance of strategic thinking for managers. The strategic thinking is considered as the efficient leaders' one of two main features. [5]

They consider the organization as it should be, not as it is [13], so that the strategic thinking can be considered as the overture to design of organization's future. [14]

Based on the results of a research, which is conducted with the aim at identifying the management skills required for managers in Asian countries, the strategic thinking is identified by all respondents as the first or second skills required for improving the managers' performance. The strategic thinking is the process of compiling and examining the hypotheses about the future. These hypotheses constitute the mission, goals and strategy of organization. This process covers a range of topics, thus if it is not solving a structured problem, it may become an unprofitable and time consuming activity. [3].

Nowadays, a great emphasis is put on the fact that the senior managers should be equipped to a simple and important tool, called the strategic thinking, to become efficient. The strategic thinking has been known as a bargaining chip in various economic and social fields long ago. In the first look, this skill is confusing for most of the managers, despite confirming that the success in the business is beyond its identification. To promote this skill could be informed, to recognize the work. For informed promotion of this skill, we should seek to identify it. This promotion helps us to make decisions. Particularly, in strategic situations, in which there is much confusion in managers, a great effort is needed for fully understanding of this skill. However, we can obtain an overview by recognizing the boundaries of strategic thinking or at least trying in this regard [15].

The modern management knowledge pays especial attention to change and development in the new century. An organization, which is not coordinated with the endless waves of change, is doomed to failure. The change is

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the only appropriate strategy in storm and ensures the survival of organization. The strategic thinking helps the managers to develop the appropriate strategy and then achieving the success.

The strategic thinking helps the managers to coordinate with environmental changes (internal and external) by its tools. When the managers are in unpredictable and unstable conditions, they double their efforts to find the golden solutions. The today's market is quite unstable. The entry of any new product can be a new crisis for weak companies. The acceleration of changes is so high in some areas of business so that the company cannot survive without equipping the planning to strategic thinking solution. In unusual and critical situations, the simple guidelines and methods are not always efficient. In strategic situations, a solution specific to those situations may be found. The strategic issue experts argue that there is no guarantee for the success of pre-assumed rules and procedures in strategic situations. The managers should determine when and how they should violate the usual rules and use the new practices.

The strategy is an issue which has been always at the head of the challenging issues of management literature based on the conducted studies in the last five decades [4].

The effective strategists have the strong strategic thinking and look at the status quo in the field of target purposes. Showing the positive and constructive responses to problems, inspiring and motivating the individuals and creating the skills for communication are the features of strategic thinking[3]

The strategic thinking created the innovative new strategies which can rewrite the rules of competition and draw a potential future landscape which is significantly different from now[1].

Understanding the points above and importance of strategic planning clarifies that the strategic thinking ability should be developed for being successful in strategic planning. Nowadays, the old guidelines and analyses in the field of strategic management may have no scientific applications in the intensive competitive environment any longer. However, it has been proven that these simple and minor tools help us in strategic thinking. The managers, who think strategically, achieve a kind of preparation to deal with the future problems.

Greatz considers the role of strategic thinking as the attempt at innovation and visualizing a new and very different future for organization and this may lead to the redefinition of main and even industrial strategies under which the company operates[7].

The entrepreneurship roots in the French term of "Entreprendre" which refers to the commitment to the work[2].

This term has been changed and its concepts enhanced over time due to the evolution of production practices and social values.

Briefly, the organizational entrepreneurship includes the promoted entrepreneurial behavior in an organization which is already established and means that the organizations can develop the useful innovations for thinking by staff (like the entrepreneurs) and grant them the freedom and flexibility to pursue their plans without getting stuck in a bureaucratic quagmire.

MATERIALS AND METHODS

A- Research method: This research has descriptive-correlative method and utilizes the library studies and questionnaire.

B- Statistical population, sample and sampling method: The statistical population of this study covers all managers in governmental and non-governmental organizations of Roudehen City. The statistical population has 200 subjects and the sample size is obtained equal to 132 managers, 120 male, 9 female and 3 unknown, according to Morgan Table. The stratified random sampling method proportional to the size is utilized to estimate the sample size.

C- The measurement tool: The researcher-made questionnaire of strategic thinking is applied for collecting the required and empirical data to support the hypotheses in governmental and non-governmental organizations, and the standard questionnaire (Likert model) is utilized for organizational entrepreneurship.

D- Reliability: The researcher-made and standard questionnaires are utilized in this regard; furthermore, the questionnaires are distributed among a limited number of samples size to estimate the reliability at two stages at a specified time interval, and Cronbach's alpha method and SPSS Software are utilized for measuring the reliability; the results are presented in the following table.

Index	Cronbach's alpha coefficient	Reliability
Strategic thinking	0.88	Appropriate
Organizational entrepreneurship	0.90	Appropriate

E- A survey is conducted on the experts and professionals to assess the validity of questionnaire and it is confirmed by experts and several scholars after survey and investigation of questionnaire.

Results:

Table 1 shows the correlation coefficient between dimensions of strategic thinking and organizational entrepreneurship.

Table 1: Correlation matrix for dimensions of strategic thinking and rate of entrepreneurship.

Variable	1	2	3	4	5	6
1 Systemic view	1					
2 Focus on purpose	0.426** 0.000	1				
3 Intelligent time saving	0.297** 0.001	0.310** 0.000	1			
4 Focus on time	0.389** 0.000	0.334** 0.003	0.152** 0.083	1		
5 Hypothesis orientation	0.429** 0.000	0.320** 0.000	0.297** 0.001	0.224** 0.010	1	
6 Organizational entrepreneurship	0.051 0.559	0.219** 0.012	0.070 0.427	0.119 0.174	0.244** 0.005	1

Based on Table 2, Pearson correlation coefficient between systemic approach and entrepreneurship is $p=0.559$ and $R=0.051$. Since the significance level is higher than alpha (0.05), it can be concluded that there is no significant and positive correlation.

Table 2: Correlation coefficient between systematic thinking and rate of organizational entrepreneurship.

	Systemic thinking	Organizational entrepreneurship
Systematic thinking- Pearson correlation	1	0.051
Significance level (two dimensional)		0.559
Total	132	132
Organizational entrepreneurship- Pearson correlation	0.051	1
Significance level (two dimensional)	0.559	
Total	132	132

According to Table 3, the correlation coefficient between the focus on the purpose and organizational entrepreneurship is equal to $p=0.012$ and $R=0.219$). A significant relationship at the confidence level of 99% indicates that the null hypothesis is rejected and the alternative hypothesis accepted.

Table 3: Correlation coefficient between the focus on purpose and rate of organizational entrepreneurship.

	Focus on purpose	Organizational entrepreneurship
Focus on the purpose- Pearson correlation	1	0.219**
Significance level (two dimensional)		0.012
Total	132	132
Organizational entrepreneurship- Pearson correlation	0.219**	1
Significance level (two dimensional)	0.012	
Total	132	132

According to Table 4, Pearson correlation coefficient between the intelligent time saving and organizational entrepreneurship is equal to $p=0.427$ and $R=0.070$. Since its significance level is higher than alpha (0.05), there is no significant relationship.

Table 4: Correlation coefficient between the intelligent time saving and organizational entrepreneurship.

	Intelligent time saving	Organizational entrepreneurship
Intelligent time saving - Pearson correlation	1	0.070
Significance level (two dimensional)		0.427
Total	132	132
Organizational entrepreneurship- Pearson correlation	0.070	1
Significance level (two dimensional)	0.427	
Total	132	132

According to Table 5, Pearson correlation coefficient between the focus on time and organizational entrepreneurship is equal to $p=0.174$ and $R=0.119$. Since its significance level is higher than alpha (0.05), there is no significant relationship and this hypothesis is not confirmed.

According to Table 6, There is a significant relationship between hypothesis orientation and organizational entrepreneurship ($p=0.005$ and $R=0.244$) at the confidence level of 99%, thus the null hypothesis is rejected and the alternative hypothesis confirmed. Therefore, it is expected that the organizational entrepreneurship will be increased by enhancing the hypothesis orientation.

Table 5: Correlation coefficient between the focus on time and rate of organizational entrepreneurship.

	Focus on time	Organizational entrepreneurship
Focus on time- Pearson correlation	1	0.119
Significance level (two dimensional)		0.174
Total	132	132
Organizational entrepreneurship- Pearson correlation	0.119	1
Significance level (two dimensional)	0.174	
Total	132	132

Table 6: Correlation coefficient between hypothesis orientation and the rate of organizational entrepreneurship.

	Hypothesis orientation	Organizational entrepreneurship
Hypothesis orientation - Pearson correlation	1	0.244**
Significance level (two dimensional)		0.005
Total	132	132
Organizational entrepreneurship- Pearson correlation	0.244**	1
Significance level (two dimensional)	0.005	
Total	132	132

According to Table 7, the sixth research hypothesis based on the higher organizational entrepreneurship in managers who have a systematic thinking compared to the hypothesis oriented ones is not confirmed, and the alternative hypothesis is true.

Table 7: Correlation matrix between the hypothesis orientation and systematic thinking with organizational entrepreneurship.

	Variable	Systemic thinking	Hypothesis orientation	Organizational entrepreneurship
1	Systemic thinking	1		
2	Hypothesis orientation	0.429** 0.000	1	
3	Organizational entrepreneurship	0.051 0.559	0.244** 0.005	1

According to the investigation of side findings of research (the impact of educational degree on strategic thinking and organizational entrepreneurship) based on Table 8, the significance level is obtained equal to 0.393 which is higher than alpha (0.05), thus there is no significant difference between the mean of groups. In other words, there is no significant difference among them in terms of strategic thinking according to educational degrees. According to Table 9, the obtained significance level equal to 0.404 which is higher than the alpha level of 0.05 indicates that there is no significant difference between the mean of groups. In other words, there is no significant difference in terms of employees' rate of organizational entrepreneurship according to their educational degree.

Table 8: Investigating the strategic thinking and employees' educational degrees based on the Analysis of Variance (ANOVA).

Strategic Thinking	Sum of squares	Degrees of freedom	Mean square	F statistic	Significance level
Inter-group	1285.197	5	257.039	1.047	0.393
Intra-group	30942.682	126	245.577		
Total	32227.879	131			

Table 9: Investigating the organizational entrepreneurship and employees' educational degrees based on the Analysis of Variance (ANOVA).

Organizational entrepreneurship	Sum of squares	Degrees of freedom	Mean square	F statistic	Significance level
Inter-group	582.888	5	116.578	1.029	0.404
Intra-group	14280.832	126	113.340		
Total	32227.879	131			

According to the investigation of difference between the governmental and non-governmental organizations in terms of strategic thinking and organizational entrepreneurship, the significance level is obtained equal to 0.499 which is higher than the alpha of 0.05 and this indicates that there is no significant difference between mean of groups. In other words, there is no significant difference between the governmental and non-governmental organizations in terms of strategic thinking. According to Table 11, the obtained level is equal to 0.544 which is greater than the alpha of 0.05 indicating that there is no difference between the mean of groups. In other words, there is no significant difference between the governmental and non-governmental organizations in terms of organizational entrepreneurship.

Table 10: Investigating the strategic thinking in governmental and non-governmental organizations based on one-way ANOVA.

Strategic Thinking	Sum of squares	Degrees of freedom	Mean square	F statistic	Significance level
Inter-group	345.206	2	172.603	698	0.499
Intra-group	31882.673	129	247.153		
Total	32227.879	131			

Table 11: Investigating the organizational entrepreneurship in governmental and nongovernmental organizations based on the one-way ANOVA.

Organizational entrepreneurship	Sum of squares	Degrees of freedom	Mean square	F statistic	Significance level
Inter-group	139.656	2	69.828	0.612	0.544
Intra-group	14724.064	129	114.140		
Total	14863.720	131			

Discussion And Conclusion:

According to one of the results for applying the strategic thinking, the strategic thinking refers to a totalizing system or vision which shows how different sectors of organization affect each other despite different spaces, but according to the result of this study, under which there is no significant relationship between these two, it can be probably justified that the managers have no integrated vision for issues in the field of organizational entrepreneurship and analyze the organizational issues and assign them to different sectors of organization.

According to Mohammad Ahadi Tajari's research (2002), entitled as (Explaining the components of organizational strategic thinking and investigating them in governmental organizations), there was a moderate level of strategic thinking in managers in this organization. Furthermore, the research findings indicate that the strategic thinking component has the maximum mean and the organizational intelligence component has the minimum mean.

According to this point, which is also mentioned in the result of hypothesis 1, the managers utilize the employees' abilities for strategic objectives of organization as well as the organizational sources to analyze the organizational factors and investigate its barriers. However, the objective is initially considered by managers (Strategic thinking underlies the focus on the objective). Unlike the traditional strategic planning approach, which emphasizes on creating the proportion and coordination between existing resources and emerging opportunities, the strategic thinking deliberately focuses on creating the basic non-proportion and non-coordination between them.

According to the research by Inga James, who considers 9 major attributes of successful strategic thinking, the focus on the objective has also affected the managers' performance.

The strategic thinking involves the capacity which save time intelligently and recognize new emerging opportunities. With respect to the obtained results, there is no significant relationship between the intelligent time saving and organizational entrepreneurship because the managers do not welcome any new ideas and do not give them the opportunity to be experienced, and thus apply the limitations.

The strategic thinking includes the timely thinking. The strategic thinkers understand the relationship between the past, present and future. It seems that the managers, who form the future of organization based on its past, do not attempt to create the entrepreneurship in organization, and there is no significant relationship between thinking over time and organizational entrepreneurship with respect to the managers' response in this field.

The strategic thinking is hypothesis oriented. Creating the hypothesis and testing it is the center of strategic thinking practices. By asking this creative question, What if? And then the question, if ... then ...?, the strategic thinking connects the duality of analysis-intuition. Mintzberg cites the strategic thinking as a combination in his definition and plans and analyzes for it.

Asghar Moshabaki and Anahita Khazaei (2008) found that the intelligent environment is the prerequisite for progressive factor for hypothesis-center thinking.

If a manager has the ability to implement the innovative ideas in the organization and also receives the feedback for the consequences of decisions, he can take the responsibility for innovation in the organization and knows how to change an idea to a profitable reality and a manager with hypothesis-oriented attitude can have a large impact on the organizational entrepreneurship.

According to the obtained results, the managers with hypothesis-oriented attitude have higher impact than those with systematic thinking.

Suggestions based on the research findings:

According to the main hypothesis of study, it is suggested that the future studies should focus on the strategic thinking according to existing infrastructures. First, the senior managers need to be examined in terms of strategic thinking. Furthermore, there are the tests which focus on the aspects of strategic thinking; for

instance, the creativity tests or relevant thinking and more comprehensive measures which need to be developed. Such this research should lead to the identification of selected criteria which properly predict the long-term strategic thinking ability.

Given the first hypothesis, it is suggested that the manager selection process should be considered systematically and scientifically and the scientific tool should be applied for selecting the managers, and thus the managers should be selected with specialized knowledge about the organizational issues and necessary skills for directing the system as well as the whole understanding of organization and its environment along with recognition of complexity and dispersion of micro systems; thus making the innovation and entrepreneurship in the organizations requires the managers who have the ability to shape the vision in the organization and are able to modify their plans by changing the situations or change them if necessary and thus express the overall goals of organization in short, accurate, and pragmatic terms.

According to the second sub-hypothesis of research, it is suggested making the benefit for managers and organization by investing on their abilities. A network of individuals with same ideas should be created for development of entrepreneurship idea and the space for development of plan should be provided by creating a central core and gathering the people together as well as focusing on the organizational objective in line with the required ideas. However, there is no way for understanding the best strategy for an organization and there are different ideas in the organizations, but the rich information and thinking, clear objectives and a primary goal simplify the process of choosing an organizational strategy.

With regard to the third hypothesis, there is a need for comprehensive context and framework of organization for promoting the entrepreneurship in the organization. We should not be oblivious to threats in the organization and we should consider a way for dealing with them. Therefore, it is recommended to maintain the individuals' concentration constantly by attracting their attention to strategic planning, and if the results do not fulfill the expectation while implementing a new idea, their risks should be carefully reviewed and they do not consider the unexpected conditions of threat and consider them as a new opportunity and train on the discretionary plans to be used better if necessary; furthermore, the employees should have the opportunity to make decision on the way of achieving their goals and in fact they should build an entrepreneurial team to create the common insight and understanding between the managers and employees.

According to the sub-hypothesis, it is suggested investigating the long-term effects of decisions while making daily decisions and then implementing them and thus establishing the strategic thinking in life. Their information about the new ideas and trends of market change should be update through the vast studies, and they should not be ensured that all measures are true, thus they should daily review their decisions. They should write the useful points, with which they are faced, during the implementation of each project, thus their colleagues will be able to refer to them while facing with similar challenges. Referring to the experiences of previous projects will present a good insight about the ongoing measures.

Given the fifth sub-hypothesis, it is suggested utilizing the summary and analysis of records as the fundamental assumptions of strategic plan once the problem occurs, and the consequences of a decision should be considered before making a decision. It is essential to dignify the staff whose their creative ideas have led to positive results in the organization.

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