

The Role of Organizational Culture in Developing Entrepreneurial Intentions in Postgraduate Students

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Abstract:

The aim of this paper was to study the role of organizational culture in developing Entrepreneurial Intentions in the students of universities. The study was explanatory in nature and due to positivist philosophy of the current research, the approach was quantitative. A survey method for data collection was used by utilizing adopted questionnaires. The dimensions of the organizational culture showed positive relationship with the dimensions of entrepreneurial intentions. The study contributed in the literature of organizational culture and entrepreneurial intentions of students of higher education institutions. The study offers recommendation for policy makers followed by the future research opportunities in the context of developing countries.

Keywords: Organizational Culture, Entrepreneurial Intentions, HEIs

Introduction

In the modern era, Higher Education Institutions (HEIs) not only engage in teaching and learning rather they strongly desire to develop entrepreneurial intentions among postgraduate students (Rasmussen et al. 2006). The research scholars are now focusing to explore entrepreneurial intentions amongst postgraduate students (Mosey et al. 2012). Entrepreneurial intentions are perceived as best forecaster of entrepreneurial intention (Bird, 1998) and it has been extensively considered as outcome variable in varied circumstances (Souitaris et al. 2007). Entrepreneurship in academic context gives a vital contribution to the university students, national frugality and civilization as well (Ping, 1980), it is frequently deliberated essential for competitive advantage (OECD, 2003). The literature is evident on the degree of pressure between academia and industry demands (West, 2008). The academic institutions have tried to release this pressure by introducing commercialization offices to further develop entrepreneurial intentions among the university students (Siegel et al. 2007). Considering universities as organizations to implement institutional elements

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generally arise from these organizations itself not from pressures located in the society or state. In the context of universities where students are influenced by the triggering and restraining factors of organizational culture for engaging them in academic entrepreneurship beyond individual characteristics. Despite emerging initiatives universities still, face challenges in entrepreneurial revolution (Martinelli et al. 2008) and involvement in entrepreneurial activities (Wright et al. 2008). The academic institutions traditionally accomplish undertakings of teaching and learning and these institutes have to be changed to integrate educational entrepreneurship (Colyvas and Powell, 2006). Literature reveals importance of organizational culture which has major for successful acquisitions of organizational objective. While focusing entrepreneurial intentions, university culture play role in research and teaching while possessing knowledge and skills for entrepreneurship but still the rate of entrepreneurial activities has not been improved significantly in various Higher Education Institutions HEIs. This study investigates the role of organizational cultural in developing entrepreneurial intentions of higher level of research students.

Literature Review

Receiving an institutional focal point is pertinent while inspecting society (Zilber 2012). DiMaggio and Powell (1991) demonstrate culture as it speaks to one significant methods by which regularizing and subjective structures exist. Hierarchical culture gives importance and setting (Schein 1985) and influences how authoritative individuals deliberately and intuitively contemplate and decide. Eventually, hierarchical culture affects the manner by which individuals see, feel and act (Hansen and Wernerfelt 1989). Hierarchical culture forms the manner in which authoritative individuals set individual and expert goals, perform assignments and oversee assets to accomplish them. Inside this investigation, we pursue Schein (1985, p. 9's) meaning of authoritative culture as "an example of essential presumptions imagined, found or created by a given gathering as it figures out how to adapt to its issues of outer adjustment and interior incorporations that has functioned admirably enough to be viewed as substantial, and subsequently, to be instructed to new individuals as the right method to see, think, and feel in connection to those issues". Therefore, authoritative culture, acting through institutional conviction frameworks and standards, can be an exceptionally viable methods for coordinating the demeanor and conduct of hierarchical individuals towards innovative exercises. Thus, so as to build inquire about researchers' enthusiasm for pioneering exercises, colleges could make a culture which is steady towards such exercises, close by interests in unmistakable authoritative units, for example,

innovation exchange workplaces, hatcheries and science parks. In this regard, Clark (1998) has recognized a coordinated pioneering society as a center element for effective institutional changes into innovative colleges. Similarly, O'Shea et al. (2005) contended, colleges require to build up a culture strong of commercialization all together for scholastic business enterprise to prosper. While there are various components of authoritative culture, this investigation looks at two unmistakable segments of culture through which colleges may impact inquire about researchers' goals to take part in innovative exercises. Concentrating on noticeable components is suitable, on the grounds that authoritative culture is bound to be transmitted to hierarchical individuals through unmistakable components (values and standards of conduct) than through imperceptible components (fundamental presumptions) (Hofstede 1998; Schein 1985). Specifically, we center around the nearness of a college mission that joins scholastic enterprise and good examples that embody scholarly business enterprise.

Notwithstanding the extreme devotion acknowledged for Organizational Culture, in research literature there a worldwide accepted definition of this construct is not prevailing (Lewis, 2002). Mostly the definitions given for this construct define that organizational culture is the common scheme of standards, philosophies, and approaches which are mutual among the organizational persons and effect their decisions. Various institutions have their particular unique ethos. Traditionally, by the time, firms develop their own culture. If we talk about educational institutions, it is the culture that forms students' arrogances, morals, inspiration, and progress. Culture contributes as way by which students see institutions and its obligations and expectations. It is the culture of the organization that moves firm's economic condition and is serious in fascinating and holding aptitude, managing change, engaging students, generating interaction between behavior and goal of the organization.

Since long time, among the academics and practitioners, organizational culture has been the topic of investigation. Numerous proportions of organizational culture like communiqué, rewards and recognition, training and development, risk, creativeness and novelty, management of teams, and progress etc. have been discovered in connection to numerous applicable organizational consequences containing entrepreneurial intention. Though, perhaps no experimental studies commenced to research effect of "OCTAPACE culture" on entrepreneurial intentions of the post graduate students in the universities. "OCTAPACE culture" is pertinent and important for performance of the educational institutions

and students' entrepreneurial intentions and success in the present educational scenario (AHRD, 2009).

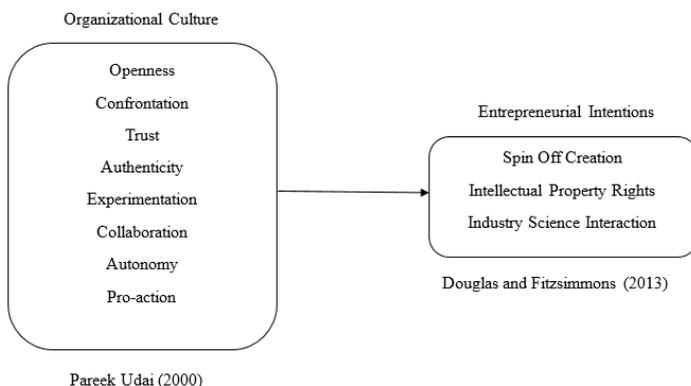
OCTAPACE Culture

"OCTAPACE culture"; appropriate and precarious for commercial enactment and achievement and carries advanced competence and administrative value (AHRD, 2009). The research results of Academy of HRD (2009) stated that various organizations like Toyota, Amazon, Briskly etc. are prosperous and rising due to the wonderful influence of "OCTAPACE culture". Experiential researches specified that "OCTAPACE culture" principles be downed in culture of the numerous organizations to a decent or reasonable level (Kumar & Patnaik, 2002).

"OCTAPACE culture" is characterized by incidence of attitude of "Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration and Experimentation". It compacts with the degree to which these ethoses are stimulated in organisation. The dimensions of the "OCTAPACE Culture" defined by Pareek Udai (2000) are as follows:

"Openness & Risk Taking"	"The value deals with the extent employees or students in the organization feel free to express their ideas, willing to take risks and experiment with new ideas and new ways of doing things".
"Confrontation"	"The value deals with the extent employees / students in the organization takes challenges face and not shy away from the problems and work jointly with others concerned to find its solution".
"Trust"	"The value deals with the extent employees / students have mutual faith and between students and management with respects to work, information sharing, helping etc. and can be relied upon what other person says and do".
"Authenticity"	"Authenticity is the value underlying trust. The value deals with the extent employees / students are willingness to acknowledge the feelings he/she has, and accept him / her as well as others who relate to him/her as persons".
"Pro-activity"	"The value deals with the extent employees / students are action - oriented, willing to take initiative and show a high degree of proactively. They anticipate issues and act or respond to the needs of the future".
"Autonomy"	"The value deals with the extent employees / students are willingness to use power without fear, and helping

	others to do the same. Employees / students have some freedom to act independently within the boundaries imposed by their role/job".
"Collaboration"	"The value deals with the extent employees / students work together and use one another's strength for a common cause. Involves strategies, workout plans of action and implement them together".
"Experimenting"	"Experimenting as a value emphasizes the importance given to innovation and trying out new ways of dealing with problems in the organization".



Methodology

The study adopted a quantitative study using survey method to explore participants' perspectives of the influence of organizational culture on entrepreneurial intention of postgraduate students. This study collects quantitative data from Heads, ORIC Directors and students of emerging private sector universities in Islamabad.

Research Method	Quantitative
Approach	Deductive
Data Collection	Survey Method – Adopted Questionnaire
Sector	Education

Sampling Technique	Convenience Sampling
Study Sample	174 Post Graduate Students of private universities of Islamabad
Population	All PG Students of private universities of Islamabad
Data Analysis	Correlation & Regression

University culture was measured by adapting culture (OCTAPACE) from Pareek Udai (2000). Entrepreneurial Intentions was measured by using questionnaire developed by Douglas and Fitzsimmons (2013). All the constructs of University and entrepreneurial intentions of research students were measured on four point Likert scale. A survey questionnaire-based methodology was used to gather data from university students. The questionnaire was separated in three parts: "demographics" "organizational culture" and Entrepreneurial Intentions.

This study used cross sectional data and work convenience sampling technique to allocate an online questionnaire among respondents. Reliability and validity of construct was tested statistical analysis by using SPSS software. Correlation and regression analyses were used to test research hypotheses.

"OCTAPACE Culture" calculated by questionnaire of Pareek (2003). Questionnaire has 40 items showing philosophy of organization in eight standards. Such standards are "openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimentation". The students' opinion was to be collected on four point scale how extensively each of the cultural standard is pooled in university. To check the validity and reliability of the scale, Cronbach alpha coefficient reliability of the scale was tested ($\alpha=0.79$).

Data Analysis and Results

As the current research, aimed to investigate the effect of "OCTAPACE culture" on Entrepreneurial Intentions and also diverse dimensions of culture on dimensions of Entrepreneurial Intentions. The statistical tests including correlation and regression were calculated. Correlation was used to check how all variables related to each other. However, regression test was undertook to determine how descriptive variables effect consequence variables. After collection of data, it were analyzed by using SPSS, 12.0. The values in the table -1 shows association amongst

variables used in this research. It is shown “OCTAPCE Culture” is positively considerably related to Entrepreneurial Intentions. The results specify that few dimensions of the “OCTAPACE culture” produce intentions amongst the students in university.

Table 1: Mean, SD and Correlation coefficient among variables (N=174)

	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
Gender	1.40	.49													
Age	32.50	3.81													
Openness	2.93	0.32	1												
Confrontation	2.84	0.37	.366**	1											
Authentication	2.79	0.36	.567**	.365**	1										
Trust	2.61	0.29	.241*	.171	.137	1									
Pro-action	2.90	0.42	.236*	.170	.303**	.379**	1								
Autonomy	2.46	0.37	-.029	.263*	-.355**	-.076	-.218	1							
Collaboration	2.71	0.30	.146	.376**	-.136	.370**	.113	.223	1						
Experimentation	2.73	0.28	.356**	.159	.415**	.130	.210	.197	.067	1					
OCTAPACE	2.74	0.18	.681**	.704**	.556**	.539**	.559**	.163	.493**	.479**	1				
Spin-Off Creation	2.00	0.87	.059	.189	.212	.300**	.346**	-.153	.080	.228	.307**	1			
IPR	2.03	0.76	.062	.142	.115	.093**	.191**	-.299	.272	.224	.437**	.307**	1		
Industry relations	2.71	0.82	.196	.001	.166	.398**	.472**	.036	.125	.089	.345**	.501**	.122	1	
Entrepreneurial	2.25	0.62	.135	.152	.302**	.313**	.396**	.171	.220	.263*	.383**	.869**	.666**	.726**	1

“OCTAPACE Culture” and “Entrepreneurial Intention”

Table 2 shows the association of “OCTAPACE Culture” & Entrepreneurial Intentions.

Table-2: Entrepreneurial Intentions and “OCTAPACE Culture”

“OCTAPACE culture” was significantly impelling ($\beta = .39$, $t = 3.6$; $p = .001$) entrepreneurial intentions. R^2 is .147 indicating approximately 14

Independent Variables	Beta	t-value	Significance	R ²	Adjusted R ²	F	Level of Significance
OCTAPACE Culture	.383	3.523	.001	.147	.135	12.143	.001

percent difference explained in entrepreneurial intentions by “OCTAPACE”. F value is significant ($F = 12$, $p = .001$). To find out various dimensions of “OCTAPACE culture” impact various dimensions of entrepreneurial intentions, regression analysis shown below:

Table-3: “OCTAPACE Culture” dimensions and Intellectual property rights

Independent Variables	Beta	t-value	Significance	R ²	R2 Change	Adjusted R ²	F	F Change	Level of Significance
Model 1 Collaboration	.299	2.655	.010	.089	.089	.077	7.048	7.048	.010
Model 2 Collaboration Autonomy	.359 .271	3.214 2.424	.002 .018	.159	.070	.135	6.701	5.877	.002

Table - 3 illustrates that O2 Collaboration and Autonomy are clarifying the difference in Intellectual property rights in substantial manner. In model 1, collaboration was regressed on Intellectual property rights and was found to be significantly effecting ($\beta = .2$, $t = 2.6$; $p = .01$). R2 is .089, which specifies that approximately 9 percent variation can be explained in the Intellectual property rights by the values of “collaboration”. F value is significant ($F = 7.048$, $p = .010$). In model 2, Autonomy dimension of the “OCTAPACE Culture”, merges with the Collaboration ($\beta = .271$, $t = 2.424$; $p = .018$). It shows nearly 17 percent difference in the establishment of Intellectual property rights ($R2 = .16$). F value is found significant ($F = 6.701$, $p = .002$).

Table-4: “OCTAPACE Culture” dimensions as Function of Spin-off creation

Independent Variables	Beta	t-value	Significance	R ²	Adjusted R ²	F	Level of Significance
Model 1 Pro-action	.346	3.126	.003	.119	.107	9.769	.003

In forecasting Spin-off creation, single Pro-action of “OCTAPACE culture” was shown significantly influencing ($\beta = .346$, $t = 3.126$; $p = .003$). R² is .119 indicating approximately 12 percent deviation in the Spin-off creation by value of pro-action. F value is significant ($F = 9.769$, $p = .003$).

Table-5: “OCTAPACE Culture” dimensions as Function of Industry Science interaction

Independent Variables	Beta	t-value	Significance	R ²	R2 Change	Adjusted R ²	F	F Change	Level of Significance
Model 1 Pro-action	.472	4.545	.000	.223	.223	.212	20.659	20.656	.000
Model 2 Pro-action Trust	.375 .256	.444 2.350	.001 .022	.279	.056	.259	13.740	5.522	.000

Table - IV illustrates Pro-action and Trust are describing difference in Industry Science interaction in substantial manner. In model 1, pro-action regressed on Industry Science interaction and significantly impacting ($\beta = .4$, $t = 4.5$; $p = .000$). R^2 is .223 indicating nearly 22 percent deviation in the Industry Science interaction by pro-action. F value is significant ($F = 20.659$, $p = .000$). In model 2, Trust "OCTAPACE Culture", merges with Pro-action. F value is significant ($F = 13.740$, $p = .000$). It shows about 28 percent deviation in formation of Industry Science interaction ($R^2 = .279$).

Discussions

The current research is an investigative study intended to achieve objectives. To investigate effect of "OCTAPACE culture" on Entrepreneurial Intentions and to investigate effect of diverse dimensions of "OCTAPACE Culture" on three dimensions of Entrepreneurial Intentions. Results support the hypotheses that "OCTAPACE Culture" influences Entrepreneurial Intentions meaningfully. "OCTAPACE Culture" works as a psychosomatic strength that aids in producing student's intentions towards their research journey in the university.

The study moderately backs that various dimension of "OCTAPACE culture" influencing three dimensions of Entrepreneurial Intentions. Results indicate that university culture with Autonomy and Collaboration influences student's Intellectual property rights. It could be possible because of doing work together and in collaboration that supports in addressing research issues and opportunities more efficiently and amusing and it matures expressive attachment with their class fellows and university. Similarly, students working independently like in autonomous manner they feel appreciated and deliberate this as a reward that eventually rise students' Intellectual property rights.

Likewise when students sensations being preserved honestly, their information, services and sentiments are appreciated by university, evidence are mutual shared etc., students also grow a logic of esteem concerning the persons and the university, and contemplate that it is ethically compulsory to spectacle industry science interaction.

Conclusion

After the analysis, results discussion, it can be contended that culture marked with OCTAPACE ethos and values creates entrepreneurial orientation of post graduate students. The research also exposed dimensions of "OCTAPACE Culture" namely "Collaboration, Autonomy,

Proaction and Trust” significantly impact different dimensions of entrepreneurial intentions including spin off, Intellectual property rights, industry science interaction. It discloses that university should emphasis more on features of “OCTAPACE Culture” to have special effects on different kinds of entrepreneurial intentions in the post graduate students.

Findings offer suggestions for academics and leadership in academia to frame rules for refining and developing entrepreneurial intentions in Pakistan. The research offers advices for future research. This study was limited to examine relationship between University culture and improvement of Entrepreneurial Intentions of research students of HEI’s in Islamabad. Further research is suggested to authenticate this model over all academic institutions of Pakistan.

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