

## Epistemology of Media Entrepreneurship and its Measuring in Media Organization

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**Abstract:** The present study aims to develop an Intrapreneurship framework for advertising agencies, to achieve the desired framework a depth interview was done with 15 key informants who were involved in dimensions of problem and had useful and ongoing experiences about the research subject. The research methodology used was based on qualitative research method, the Grounded Theory (GT), through explorative interviews with these informants their internal structure of values, attitudes and also experiences were explored based on the research subject. Through a purposeful sampling, informants were selected from three groups that have involved with the issue of research. Sampling was performed based on "theatrical saturation". Then, open coding and axial coding were applied on data obtained through interviews and selective coding was performed accordingly. Totally, 570 initial conceptual statements from the open coding and 114 categorical statements from the axial coding were obtained. Ultimately, in selective coding hypotheses reflecting the generalized relations among categories were clearly recognized and GT model appeared. This model has four theories, causal factors, conditions and areas, agency and action (strategies and interventions), outputs, outcomes and results. Based on three dimensional model (3-D model) three groups of behavioral, contextual and structural factors studied in the cause of entrepreneurship in advertising agencies, based on the obtained model, the main phenomenon is the weaknesses of professional management and absence of professional training and business environment, in other word this model explains that under what conditions, this phenomenon happens and what factors are most effective in occurrence of entrepreneurial phenomenon. Informants explain this phenomenon by its causal factors, expressing that: "which factors are effective in forming the weaknesses of professional management and absence of professional training and business environment?"-"which agencies and actions (interventions and strategies) affect the purpose?"-"how does this process lead to outcomes that guarantee the formation of Intrapreneurship in Advertising guild and consequently, maturation and expansion of business areas?"

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**Key Words:** Media Organizations Entrepreneurship, Grounded Theory (GT), Advertising agencies

### 1. Introduction:

Advertising agencies as the subset of service class work- according to the provided definitions are classified among media organizations - have an important role in expansion of economic activities and informing audiences. After Islamic revolution in 1978, due to strategic reasons and elapsed time of the imposed war, promotional activities faced prohibition for more than 10 years, thus advertising agencies and activists in this field faced basic structural and specialized training weaknesses, on the other hand expansion of production areas and international businesses highlights the need to learn the rules of the game in a competitive arena, more than ever. Now days explore, theorize and provide solutions to improve

working and management conditions in the advertising field, in terms of management and structure to get growth in productivity and prosperity is a necessity and not a choice.

#### 1.1. Problem Statement:

Truly, what are the causes for innovation and growth? The answer undoubtedly lies in the concept of entrepreneurship. This fact is essence of entrepreneurship theories and its related researches. Recent studies have shown that the growth of small and new firms and a corresponding decline began in 1970s. In fact, small firms have been considered as the major source of net job growth. Are these evidences still true when applied into media guild? And in particular, this question is posed in the mind of researchers that

whether the definition of innovation still maintains its senses, when it refers to concepts that governing media functions, including diversity (in content and distinctness) Access (to the media and communication networks for public) and new processes with further democratizing effects on society. Which theories and research topics of entrepreneurship scope can be extended to media economics studies?

A significant proportion of research approaches in the field of media economics deals with questions and problem-solving which look on media from an industrial organizations perspective. The emergence of literature and knowledge of entrepreneurship presented as a complement to organizational management practices in the industry and increase their efficiency. Innovation is a fundamental concept, which entrepreneurship and its related researches have always focused on it. Logical reasoning processes have revealed to everyone that entrepreneurship plays a key role in the media industry and innovation has taken root everywhere in academic and executive history of this industry, but yet contribution and role of entrepreneurship in the growth of media industry is not known precisely.

Entrepreneurship is one of the major components in media industry which is a promising area for scientific researches.

The present paper aims to introduce an inquiry about the nature of media entrepreneurship and its effect on the creation of innovations in the media marketplace.

According to the above mentioned cases, three main questions are posed in this fundamental research:

1. What is media entrepreneurship?
2. How a media sector is entrepreneurial
3. What are the obstacles in the way of entrepreneurship in advertising agencies of Iran?

In the process of answering these questions, focus will be on the following concepts:

- a) Factors affecting media entrepreneurship
- b) Focus on the media as an organization with the purpose of revenue-generation and profitability.

In this process, after defining entrepreneurship, the theories will be generalized in to media industry then available practical techniques of media literature will be defined and our final purpose is to identify the fields in which media entrepreneurship incidence. In other words, we want to draw a perspective of entrepreneurship concept in media then compare media entrepreneurship concept with other areas and industries.

For the time being, there are a few published researches in this area, which each has selected an issue and just focused on it, or studied this concept in a particular media rather than providing a comprehensive view (Hoag Anne, 2005).

## 1.2. Theoretical Framework:

### 1.2.1. Defining Entrepreneurial Organization

The role of organizations in achieving economic, political, social and cultural goals of a community is so much outstanding that each organization of a community is known as goal achieving- carousel. It is obvious that, having an organizational structure inconsistent with the objectives of the bureaucracy-society is an obstacle which misleads all the society. The creation of new organizations is considered as one of the main forces of social and economic development which catalyze economic growth, advance new technologies, develop new products and services, and in some cases create entirely new industries. Also new organizations create new jobs, economic attainments and cause more social mobility (Dobrev and Barnett, 2005).

Entrepreneurship is a process of business establishment based on a new idea, in which one or a group of people called entrepreneur, discover or create a new opportunity and enter into market and competition field. This occurs in an organization called the entrepreneurial organization (Bart, 2006). Organizational entrepreneurship principles of Neck and Echols show that organizational structure promotes entrepreneurial behavior and is an essential element for entrepreneurial success of organization (Echols and Neck, 1998). Organizational structure is the design of organization which includes units, divisions, subsidiaries, and what each of them do and are responsible for it. In fact the structure is a formal model which shows how businesses and individuals are grouped (Cornwall and Perlman, 1990). Also Peter Drucker believes that the organizational structure is the best space for entrepreneurship (Prokopenko and Pavlin, 1991). In bureaucratic structure knowledge power is concentrated in the higher-level of organization. Bureaucratic structure is the same as static one. Static structure is a logical and impersonal structure which is based on centralized decision making, formal rules and procedures and doing organizational processes at the same, formal and specialized tasks (Moghimi, 2004). However, an entrepreneurial organization avoids the static structure and establishes dynamic one, since dynamic structure increase innovation and entrepreneurship in organization. Such a dynamic organizational structure has changeability and flexibility, minimum of hierarchy and only necessary requirements and just emphasis on horizontal border development. The aim of dynamic structure is to keep innovation and productivity in organization and empowerment is regarded as a part of the organizational strategy which supports such structure (Cornwall and Perlman, 1990). Entrepreneurial organizations have some characteristics

which their identification and promotion lead to innovation which results in optimal performance of organizational entrepreneurship.

### 1.2.2. Dimensions of Entrepreneurial Organizations

According to Daft (1998) organizational dimensions are divided into two groups, Structural and contextual ones and for evaluating and understanding organization it is necessary to consider both, each dimension has its own components and markers.

1. The structural dimensions of entrepreneurial organizations: indicate the internal characteristics of an organization and create a basic by which organizations can be compared. These dimensions are:

*Formalization:* Formalization refers to the degree or extent to which jobs within the organization are standardized (Rabinz, 2000). The formalization of organization depends on instruction- level, task description, guidelines, procedures, written regulations and policies of organization. The more these documents are, the more formal organization will be (Samad Agayi, 2003). More formality indicates less freedom for the employees of an organization, in contrast when formality is less the behavior of employees will have greater freedom of action (Rabinz, 2000).

One of the features of entrepreneurial organizations is their informality. Such organizations disagree about applying restriction on employees with guidelines, rules and official regulations. Entrepreneurial organizations for being compatible with environment need change, flexibility and innovation which are inconsistent with stability and control through formal procedures and practices (Zabihi & Moghadasi, 2006). Palak et al have shown that the more people are allowed to choose their own activities; the better will be their performances. The research findings of Alken and Hitch also showed that organizations which are characterized by decentralization and relative absence of formal regulations are more probable to be innovative (Samad Agayi, 1999).

*Complexity:* it means the number of activities or subsystems that are done within the organization (Hall, 1997). In other words complexity points the segregation amount in the organization (Rabinz, 2000). Kevin and Salween studies show a negative relationship between organizational complexity and entrepreneurship. Koin and Selvin showed that there is a negative correlation between complexity and organizational entrepreneurship. This can be investigated through three vertical (number of levels in organization), horizontal (number of departments or job titles) and space dimensions (number of sites and geographical regions) and from vertical complexity or the number of organizational levels entrepreneurial organizations with minimal managerial layers have horizontal organizational structure (Koin & Selvin, 1991). Also in

terms of horizontal and spatial complexity, entrepreneurial organizations due to being small or tending to be small are less interested in creating multiple departments and doing tasks in different geographical regions (Samad Agayi, 2003).

*Centralization / Decentralization:* Centralization refers to the level of authority which has decision making power. When the decisions are made at higher levels of organization, it is called concentrated organization. But when decisions are delegated to lower levels of organization, organization is decentralized one (Daft, 1998). Centralization means that decisions are made at higher levels of organization which is not seen primarily in entrepreneurial organizations.

Having competent employees is one of the characteristics of entrepreneurial organizations and these organizations prevent centralization in organization through delegation of authority, selection based on the criteria (no relation), building trust, risk acceptance and removing individuals and participatory management monopoly from information (Zabihi & Moghadasi, 2006). Elizabeth research in this field has shown that the bureaucracy by some coordinators at the top of the organization decrease the organization intelligence. The studies of Mac Kele Land, Andrade and Rosen and revealed that the more someone is encouraged to think independently and participate in decisions, he is expected to successfully achieve high standards and he becomes more successful (Samad Agayi, 2003). Being specialized, having standard, hierarchy of authority, being professional, ratios of staff to line personnel are also among structural dimensions of entrepreneurial organizations.

2. Contextual dimensions of entrepreneurial organizations; Contextual dimensions characterize the whole organization and describe the organizational and environmental setting within which structural dimensions are located in them; it also includes items such as organizational size, goals and strategies, technology type, environment and culture (Daft, 1998) which are also called substantive variables.

In figure (2-5), the structural and contextual dimensions of entrepreneurial organizations are mentioned. Antoncic and Hisrich (2003) suggested eight dimensions for entrepreneurial organizations, which are summarized in figure (2-2).

### 1.2.3. Defining Intrapreneurship

The ideas behind Intrapreneurship can be traced back to the mid-1970s (Christensen, 2005). Pinchot who coined the term 'Intrapreneurship' for the first time and entered it into the literature of entrepreneurship believes that if an individual in traditional organizations behaves as an independent entrepreneur whose activities create a new unit in the organization, provide products and services and new processes and with new sources achieve new markets thus leads organization to

growth and profitability, this organization is called Intrapreneurship (Pinchot, 1990). The term 'Intrapreneurship' was derived from a combination of Intra, Corporate and Entrepreneurship (Willame, 2002).

Indeed, Intrapreneurship includes fostering entrepreneurial behaviors in an already established organization. This means that organizations can develop useful innovations by encouraging individuals to think and give them freedom and flexibility to follow their plans without placing them in predicament of bureaucratic hierarchy (Stoner, 1995). In addition, entrepreneurial organization as an individual empowerment system utilizes the creativity of individuals in a precise, programmed way. Intrapreneurship is necessary to ensure survival through reconstruction operations of organization, redefine the business concept and improve the needed capacity for innovation and quality in dynamic environment (Ecols & Neck, 1998).

Fry believes that Intrapreneurship is a process in which products, services and innovative processes are established by creating an entrepreneurial culture in an organization (Fry, 1993). Generally rapid development of science and technology, effective presence in capital markets and managers' further acquaintance with Intrapreneurship phenomenon, caused an increased tendency to Intrapreneurship in organizations' strategies (Hadizadeh Moghadam et al, 2005). Mackenzie and Dechambeau (1986) believe that organizational entrepreneurship activities can include new product development or create an effective process. Jennig and Young (1990) define Intrapreneurship as a process of developing new products or markets. Kuratko, Montagno and Hornsby (1990) define Intrapreneurship as a means of creating new businesses within mother companies.

Mc Grath, Boulind & Venkataraman(1992) define Intrapreneurship as a tool for enhancing the long-term financial stability in an organization. Arila (1996) believes that Intrapreneurship consists of three dimensions: innovation, development of products, services or new processes and risk-taking. Zahra by reviewing the literature of Intrapreneurship found out that most of the definitions employed for define it as an innovative activity in an organization (Pearse, 2003).

Hadizadeh Moghadam (2005) believes that Intrapreneurship is a process which leads organizational activities toward creativity, innovation, risk-taking and leading. In this definition, the concept of innovation is an integral component of Intrapreneurship. Cornwall and Perlman (1990) introduce Intrapreneurship a person who works in a large organization as an entrepreneur and introduce new products, processes and services thus cause growth and profitability in organization.

Ginsberg and Guth (1995) calls organizational entrepreneurship someone who discovers and exploits

new products, activities and technologies in a company .Fry (1993) introduces Intrapreneurship as a process which through the induction of entrepreneurial culture within an organization and encouragement, support and appreciation, offers creative and innovative ideas for products, services and processes. Another form of Intrapreneurship is to establish subsidiaries within the mother companies in terms of management and budget these companies are independent of the mother company and to survive they themselves should obtain the required information in the field of advanced technologies and markets (Willame, 2002). Schumpeter believes that entrepreneurship is not physical work and each social environment can do it through its special method. Thus, an organization is able to provide an environment in which all members participate in entrepreneurial activities. The organization which provides such an internal environment is an entrepreneurial organization and Intrapreneurship is a process in which innovative product or processes emerge through inspiring and creating entrepreneurial culture in pre-established organization and organizational innovation refers to product or service innovation which emphasis on development and innovation in technology(Hassan Moradi,2005).

#### **1.2.4. Media Entrepreneurship**

Hoag (2005) defines media entrepreneurship as the creation and ownership of a small enterprise or organization whose activity adds at least one innovation to the media marketplace and through measuring criteria of entrepreneurship in media industry and the amount of occurring innovations in this industry expresses that the rate of entrepreneurship and the establishment of new businesses in the media industry is in higher level. To describe above definition several points can be outlined: first of all, this definition includes all media products and services. Second, the mentioned innovation in definition includes both radical and incremental innovations. Companies operating in the media industry are including both profit and non-profit organizations.

Also in this definition the company only not means small and medium enterprises, since the major enterprises operating in the media industry can be innovative as well. In other words, maybe because of owning more financial resources these big companies are better able to invest in new areas of innovation (Bull and Willard, 1993). The word "media" refers to traditional mass communications systems as well as newly emerged ones. The first one includes newspapers, books, traditional electronic media i.e. radio, and television and later one includes newly emerged and modern media such as internet.

The term 'media' according to its types of environment and criteria has different definitions. For example, the word 'media' in mass media refers to the



means that are used to disseminate facts, ideas and hobbies such as newspaper, magazine, movie, radio, television and the World Wide Web network. Also, the word media is a general term which is used to describe production systems and dissemination of information and entertainment and practice types of social control. Unlike a communication channel which is limited to the communication between message sender and receiver, media includes businesses which determine the nature, planning and type of message publishing (Krippendorf, 1986). In most cases, media refers to the types of communications including newspapers, magazines, bill boards, radio, television, audio and video tapes and computer games (Hoag, 2005).

Entrepreneurship as a practical field is closely related to the media and in particular, media management. The media industry is severely affected by the phenomenon of entrepreneurship, in a way that in recent years a lot of creativities have been done in this industry. The innovative nature of media on one hand and artistic process of media industry on the other hand, have caused products and services that are offered in the media industry, to have much difference with the products of other industries (Caves, 2000). Hence, the main features of entrepreneurial activities, such as creativity, innovation and new ways of thinking, are essential to success in this industry. Also reviewing the impact of entrepreneurship on the media industry can help the activists of this field. Entrepreneurship term generally is used for small and newly established businesses. Therefore, companies that are established in the field of media are placed in category of these companies. Schumpeter believes that the entrepreneur is the source of economic development and also an innovative person who uses the new combinations of data and processes in order to create new products and services, improve efficiency, reduce costs and create new markets (1934). Many entrepreneurship researchers believe that entrepreneur Attempts to set up its new business only for economic gain. One of the points that should be considered in relation to the definition of entrepreneurship is this that Media Entrepreneurship can be done either to gain economic or non-profit (Cordes et al, 2004).

A survey on conducted researches shows that researches have paid very little attention to media entrepreneurship. However, the combination of entrepreneurial activities in the media field can be helpful in this regard. Hence Entrepreneurship media refers to entrepreneurial activities which are done with the aim of extracting appropriate business opportunities and profitability in the media industry (Thurik, 1999). Since for determining a media entrepreneur company we are in need of indicators so in this section we will discuss the criteria for assessing the level of media entrepreneurial companies. Essentially

Entrepreneurship is a behavioral phenomenon at firm level and hence the degree of entrepreneurship in a firm is measured on a continuance from very entrepreneur to highly conservative (Chan-Olmsted, 2006). Brown et al (2001) developed eight dimensions which can be used for assessing the degree of entrepreneurship in media firms.

First dimension is having strategic interests. Entrepreneurship firm determines its strategies based on opportunities that are ahead of the market not based on the resources which are necessary for using this opportunity. On the other hand, the firm which has less entrepreneurship emphasizes more on its existing resources and pays more attention to opportunities which can use them through its own resources (Wennekers, 1999).

Second dimension is response to opportunity. The more entrepreneurial company (promoter) is more action-oriented and while pursuing an opportunity quickly tries to use it; meanwhile the less entrepreneurship (trustees) one is analysis – oriented and less risk-taking one, which the later one causes multiple levels of decision-making that slows the use of opportunity.

The third and fourth dimensions respectively are commitment of resources and control of resources. The entrepreneurial Company rather than trying to "own" the resources mostly tends to "use" of the resources which results flexibility in changing direction, since due to the absence of ownership in resources is not interested in them and through considering the given opportunity can provide the necessary recourses, which results in its dexterity and flexibility.

The fifth and sixth dimensions are about management structure and reward philosophy. Entrepreneurial company has wide organizational structure. It also is composed of multiple networks which encourage flexibility and opportunity identification. As a result, an entrepreneur company creates a reward system which is based on the creating value in the form of ideas, experience and creativity. While companies with less entrepreneurship, have hierarchical management structures and clearly reveal lines of authority and decision-making and also shows people the level of resource which they can use.

The seventh dimension is the tendency to grow. The entrepreneur company's aim is rapid growth, thus accepts the associated risks, while less entrepreneurial company seeks a sustainable safe and slow growth.

Latest dimension is entrepreneurial culture the more entrepreneurial company encourages ideas and uses creativity to identify a wide range of opportunities, while less entrepreneurial company confines the flow of ideas to the control of resources.

#### **1.2.5. Effective Factors on Media Entrepreneurship**

In the entrepreneurship literature, most attention is on identifying opportunities that ultimately will set up a profitable business (Shane and Venkataraman, 2000). At the same time in the definition of media entrepreneurship, the other aspects, such as goals of media entrepreneurship and its artistic aspects should also be considered (Picard, 2005).

Entrepreneurship experts mention different incentives as a reason for individual entrepreneurship. Need for achievement, internal locus of control, independent functioning, and such cases are usually listed among the reasons for entrepreneurship (in all industries). Although in relation to media entrepreneurship, it is a little different. Many companies operating in the media, in addition to economic gains, are looking forward to change their surrounding environment, promote public culture or reduced social problems. So, in the media entrepreneurship, artistic, social, entertainment, and cultural aspects have a special place. In other words, the economic goals of operating a media business, along with non-profit goals that such a business can follow, make it difficult to understand its operational reasons (Picard, 2005).

In this regard, a number of researchers consider media entrepreneurship as a combination of economic value creation and social entrepreneurship (Mair & Marti, 2006). In other words, Entrepreneurship Studies emphasize on the Relationship between entrepreneurial opportunities and emerging social trends (Timmons, 1990), But entrepreneurship as a social process, has recently attracted the attention of scholars (Alvord, Brown & Letts, 2004; Dees & Elias, 1998).

In association with media Entrepreneurship area paying attention to social entrepreneurship is very important. According to the definition Social entrepreneurship is a process which includes an innovative combination of resources to pursue opportunities that can lead to social change or meet social needs (Mair & Marti, 2006). Like social entrepreneurs, for many entrepreneurs who are active in the field of media social goals implicitly comes beside financial goals (Dees, 1998). This has a great influence on how to identify and assess entrepreneurial opportunities. In other words, for many entrepreneurs of media filed gaining economical wealth is in second place of importance. Another common point between media entrepreneurship and social entrepreneurship is that in both cases, the created value is not easy to measure.

#### **1.2.6. Conceptual and Operational Definitions of Variables Media:**

It refers to systems and processes which are engaged in production and dissemination of information or entertainment content which interacting with different systems of social control. Despite all

definitions that limit the media concept to the physical nature of media and represent it as a medium between the transmitter and receiver to transmit messages in the communication process, Media includes all organized, which determine the nature, planning, manner and form of message transfer.

Media in concept of media entrepreneurship and in this research refers to all mass information systems including print media (newspapers, magazines, periodicals and books) audio-visual media (radio and TV), advertising agencies and public relations (Krippendorff, 1986).

#### **1.2.7. Entrepreneurship:**

Entrepreneurship is an attempt to discover and exploit opportunities which have benefit and the ability to become profitable (Shane & Venkataraman, 2000).

#### **1.2.8. Media entrepreneurship:**

Media entrepreneurship is a creation and ownership of a small enterprise or organization whose activity adds at least one voice or innovation to the media marketplace (Hoag Anne, 2005, p.3).

#### **1.2.9. Advertising Agencies:**

Advertising agencies in this study mean all business enterprises which hold a valid license for their advertising associations from the ministry of culture and Islamic guidance and offer services in advertising and marketing consulting, market research, print services, Teaser and film production, design and idealization, buying and renting space for media (audio, video, environmental, written, electronic) and exhibition affairs and should have following characteristics:

- At least should activate in three areas of above mentioned advertising services.
- Should have more than 5 employees.
- Should have a head office in Tehran.

#### **1.2.10. Qualitative research with focus on Grounded Theory**

The aim of research is to develop a Process theory of Intrapreneurship for advertising agencies. Grounded theory is an inductive and exploratory research method which allows the researcher to formulate his own theory instead of using existing or pre-defined ones. In this strategy the formation of theory is inductive (evaluates general propositions that are derived from specific examples). This strategy is based on three elements: concepts, categories and propositions. At the same time concepts are the basic units of analysis since it is from conceptualization of data that theory is developed, not the actual data per se. This research method is used for the areas of research which there is no strong research background for them or body of research literature is not robust enough. As noted in the literature review section topic of entrepreneurship in media has not been studied so far in Iran and present study is the first step in this field,

on the other hand in the records of global researches very limited areas of this field have been studied. There are five analytic phases of grounded theory-building:

- Research design
- Data collection
- Data ordering
- Data analysis and
- Literature comparison

Once basic research questions have been generated and the research is focused, the next step is to collect data, in this section concept and categories are being formed. In this research a conceptual model will be used for data encoder framework based on 3-d model which is designed for understanding the organizational issues. This analytical tool has three basic dimensions in which structural, behavioral (content) and contextual factors are studied.

#### **A. Structural Factors Category**

It includes all physical and non-humanistic organizational conditions, elements and factors which in a special interlocking order make the physical and material framework of the organization. Thus all financial, material, informational and technical resources that with a particular combination flow in the general body of organization (Non-living factors), are placed among the structural factors.

In this study, structural factors include the organizational structure, strategy, payroll, performance appraisal system, financial and funds systems, Research & Development Systems.

#### **B. Behavioral Factors (content)**

It includes human factors and human relations in organization, which constitutes behavioral norms, informal relationship, specific interconnected patterns and main content of organization. Actually these contextual elements are considered as dynamic and living factors of organization and any kind of factors and variables that are directly related to human resources are placed in this category. Behavioral or content factors in this research are namely, culturalization of conflict and tension, leadership style, personality characteristics of employees and managers.

#### **C. Contextual (Periphery) Factors Category**

It includes all external environmental conditions and factors in organization which governing the organization and form its main and support systems. Contextual (periphery) factors in this research are namely, environmental communications, communication with clients, citizens and government.

As noted, the original configuration of this research will be based on to the above model and according to the subject of the research the measurement indicators will be defined, but in the following model specifically considered the entrepreneurship in a mutual

relationship with determining factors which will be referred as more detailed determiner model in this research.

Investigating the dimensions and issues of Intrapreneurship varies from one guild to another and each society will have its own developments according to economic, legal, cultural characteristics. Thus without studying qualitative researches besides deep understanding about the views and experiences of experts in the field, a proper perception cannot be achieved in this matter. Therefore, this study is done through using GT method.

#### **2. Methods and Materials:**

In this study, explanatory and semi-structured interview with key informants was used as instrument. Sampling was targeted and strategic and informants were selected based on specific goals of research and strategies for solving problem. Based on the content of exploratory interview with informants with snowball sampling method referring to other informants was necessary thus sampling and interview continued until the processes of analysis and exploration reached theoretical saturation (Ferastkhah, 2007). Explanatory interview was done with 17 key informants who were selected through purposeful sampling from three groups and among the ones who were involved in the issue. Sampling was based on "theoretical saturation".

Key informants were selected in three groups as follows:

1. Managers of the country's top advertising agencies
2. State managers with associated position
3. Advertising experts and consultants

Some of the interviewees introduced other informants which in the case of any necessity, author interviewed them through using snowball method as well. Author twice interviewed three of the informants (separately in intervals). First data and information obtained through interview based on the earlier described method, then open coding and axial coding were applied and selective coding performed accordingly. As shown in diagram (1) Totally 690 initial conceptual statements from the open coding and 114 categorical statements from the axial coding were obtained. Ultimately, in selective coding hypotheses reflecting the generalized relations among categories were clearly recognized and GT model appeared, as it can be seen in diagrams.

Selective coding processes = 4 theory components

Causal factors =25 categories / Conditions and areas=17 categories/ Agency and action (strategies and interventions) =27 categories / Outputs, outcomes and results =45 categories In order to validate the basic model a seminar session was formed with some of the interviewees (as a focus group) in the session based on the collected data, The model number (3) was the modified and aforesaid model was revised and finalized

in the form of model number (4). In that meeting informants emphasized that those changes should apply on model (3). Strategic planning and development which was look upon from short –term program, the absence of strategic approach in planning and absence of long-term goals perspectives, was categorized as the subset of causal factors that participants agreed on the necessity of its placement among contextual factors and business environment. In addition, in the causal factors groups and in the category of the organizational structure admitted about adding a category as a specialized unit with two sub-categories, the multiplicity of services, business implementation approach and no-specialized. The above mentioned comments were included in the model (4).

Diagram a

open coding phase: 690 initial conceptual statements

axial coding phase: 114 categorical statements

1)management 6 categories, 2)structural organization 12 categories, 3)organizational behavior 7 categories

1)culture 5 categories, 2) business environment 6 categories, 3)technology 1 category

Three levels, micro-level 3 categories, Intermediate - level 5 categories, Macro- level 6 categories

1) threaten the existence of organization four categories, 2) individual skills 2 category

### 2.1. Summary of Important Findings

Summary of important findings based on specific objectives of the research and four theories are as follows: 1-Causal factors, 2- Conditions and areas, 3- Agency and action (strategies and interventions), 4- outputs, outcomes and results.

### 2.2. Causal Factors

Causal factors Category which directly led to the central concept of entrepreneurship in advertising agencies, is composed of several sub-categories including: 1- Management, 2- Organizational Structure, 3- Organizational Behavior

### 2.3. Management

According to research findings, this concept itself is composed of three sub-categories including entrepreneurial attitudes, expertise and personality traits.

-Entrepreneurial attitude of management and owner of advertising agencies has a great impact on emergence of Intrapreneurship and manifestation of entrepreneurial ideas in organization context.

Research findings indicated that due to the short-term activity record of this field in the country and also for some reason such as absence of specialization in this guild if available in the manager will have interconnected with the following two issues. Benchmarking of Western samples, it means that individuals and managers who activate in this field in

order to create an innovation and opening in the field of business advertising benchmark similar experiences from leading and knowledgeable countries. Among them is creation of new media, as the one which has happened in other countries. In this regard it should be noted that this kind of benchmarking is done with the aim of surpassing the competitors. Another notable point in the benchmarking process is absence of attention to localization of samples and calques. Since media and communication field is in close interaction with the beliefs, facilities, national and regional cultures thus absence of attention to this issue lowers the success or failure of entrepreneurial efforts of managers in advertising agencies. It is noteworthy that absence of experience and institutionalization of professional skills in management caused benchmarking merely without preliminary studies and necessary background of adjusting.

-Expertise is considered as one of the key stimulants for entrepreneurial actions of managers in advertising agencies, which includes the following two categories:

Absence of understanding of management knowledge and basic management principles in organizations and institutions, absence of skill and academic trainings which caused most managers to know management only by its titles and positions and since the management experience have no long-standing history on media and advertising organizations, thus the management body of expertise is weak both in terms of knowledge and experience at this area. On the other hand, like the one which is widespread in other areas of the business in the country, manager - owner phenomenon is also another factor which has influenced the management specialization approach. Since the advertising agencies basically are classified in categories of small organizations, the use of appointed managers who have the management knowledge and adequate expertise still has not happened in this area and in all studied cases managers are the owners of companies. It should be noted that only one of the interviewees had specialized academic education of advertising and another was graduated in management field. Others had no specialized training in management skills, including short-term or medium-term and these skills just purely summarized in personal abilities or executive experiences. Personality characteristics of management are essential in occurrence or non-occurrence of entrepreneurship in organization body and in the business arena.

Among the personality characteristics of individuals and entrepreneur managers which tested in pervious researches and have been approved, in this study a few features are known more effective than the others i.e. result-oriented and communication and



leadership skills which their necessity and effectiveness was emphasized and confirmed by interviewees.

#### **2.4. Organizational Structure**

Organizational structure that expresses an organization's internal characteristics provides a basis by which the organizations can be compared with each other. The findings show that some organizational features have greater role in incidence of entrepreneurship in organizations and advertising agencies and each have been studied according to their current weaknesses or limitations that are faced in advertising agencies. Dynamic structure of advertising agencies is a feature that compared to other influencing factors in organizational structure of the entrepreneurial organizations is more close and similar to its ideal state, this means that advertising agencies automatically and spontaneous are dynamic, of course in examining the reasons two results were obtained: The nature of promotional activities due to their rapid response and diversity of activities, inherently requires a dynamic structure, hence it can be said that the promotional activities are not possible except in a dynamic organizational structure. On the other hand customers demand for products and services of advertising agencies make them dynamic thus to respond to their needs organizations are required to design a flexible structure appropriate with the various needs of their customers.

For different reasons organizational layers in advertising agencies have fewer levels, the main reasons for this are smallness of organization and low income. Further focus –orientation of management and intervention and direct supervision of director – owner which themselves are due to the reasons such as absence of sufficient expertise in the body of organization and absence of sufficient trust and delegation, cause the smallness of structure in this organizations.

Bureaucracy is facing with obvious weakness in advertising agencies. Although previous researches have demonstrated that the less an organization is entitled with bureaucratic process the more possibility of entrepreneurship would be in it, but there are no minimum requirements for organizational interaction in the advertising agencies and yet organizational growth and maturity did not reach its desired level in terms of bureaucracy. In examining the reasons for this issue the majority of respondents noted that managers and staff are unaware of the available opportunities and benefits in bureaucratic process of organization body, also they admitted that the absence of systematic processes for workflow has led to the use of shortcuts to achieve the goal of rapid response to customers and most approaches in advertising agencies emphasize on restrictedness of the documentation and records.

Job description and absence of segregation of codified and standardized duties and of course, suspended organizational charts are other weaknesses which prevent the individual participation rate in entrepreneurship and the birth of new ideas in organization body. absence of sufficient expert whom professionally are able to perform assigned activities on one hand and absence of self - transparency by the management for work force capacity and of course, the absence of law flexibility in the presenting job descriptions for staff has caused labor processes and division to be done completely orally and we deal with organizations which suffer from labor division disturbances, absence of accountability for assigned tasks and finally, the absence of responsibility.

In advertising agencies need for multitasking specialist force is another factor which prevents the codification of written job descriptions for personnel. Investigating the international patterns in this filed has shown that specialization in offer able services to the customers itself results in branching business fields which leads to the birth of businesses which can't be equalized with the current conditions of the market.

Specialized units are one of the subsets of the organizational structure in advertising agencies. Promotional activities in international standards are considered as highly professional jobs. Advertising process is composed of numerous subsets including advertising, content production, media planning and assessment of effectiveness. In general there are two approaches for the structure of advertising agencies:

First approach: choose one of the rings of advertising process as the central area of the business to provide specialized and limited services. In this way, usually there is no dispersal in lateral area of services and organizational focus deepen and enhance the quality of provided services, but on the other hand limits the labor market.

Second approach: In the second approach, occurs in more mature markets. The birth of holdings which provide all kind of services and each of them are activating in the form of separate organization as the subset of the mother company. The results of research show that in the market of Iran for different reasons including absence of specialized areas and limited areas in the advertising business, advertising agencies are placed in the intermediate position; this means that to get many more customers and increase turnover and survival of the organization on one hand, they activate in all specialized areas which in its own turn decreases the quality of service and on the other hand it's not possible for all services to have organizational management like the one which occurs in holdings and practically each of these specialized areas can be summarized in one individual or at most one department. The survey results indicate that technical

weakness which is due to the above reasons is one of the main obstacles to the business and entrepreneurship growth which reduces the approach of customers and general perceptions to this weakness as a performer who cannot play the role of consultant and problem solving and this causes the demands of customers to be more specialized than before.

## 2.5. Organizational Behavior

Behavioral organization is one of the areas that has been studied among the causal factors to identify the causes for occurrence or non-occurrence of Intrapreneurship in advertising agencies and includes following five sub-categories: support of organization, teamwork, leadership, loyalty and motivation, one of the most effective areas of business expansion and strengthening of Intrapreneurship is the organizational support of new ideas and the fields of entrepreneurship which are recognized or created by the body of organization. absence of access to resources for creating required fields and crystallization of entrepreneurial opportunities which are introduced by the body of organization are among the main weaknesses in the advertising agencies that are caused by two main reasons: first, the absence of financial and technical capabilities of organization for enterprise and testing new business opportunities and the other absence of specialized knowledge which takes away from management the possibility of evaluating or improving the posed opportunities and unwillingly is forced to ignore the opportunities. Naturally, absence of economic stability and statistical information to make the right decision are also the side factors of the recession and slowness in media entrepreneurship.

Due to the reasons mentioned earlier in teamwork namely weakness in the job description defects in the division of specialized labor in the body of the advertising agencies inevitably work process are done through partnership and collaboration of human force, however what was interpreted as the organized team work and based on internal training of organization do not occur in advertising agencies which according to the main findings of the research is due to the lack of delegation of authority by director – owner and layer of chief executive of organization.

Consistent leadership is a behavior through which managers at all levels of the organization are expected to increase team spirit of partnership and crisis management in the organization, this behavior is facing with defect in advertising agencies that its main causes are absence of sufficient skills and absence of benefit from the specialized training in management and organizational behavior.

Low loyalty of manpower to organization and minimal commitment to the organizational goals are among the most important obstacles in occurrence of

entrepreneurship at advertising agencies. The findings show that organizational loyalty to the concept of interest in presence and persistence of work with the respective organization rarely can be seen in media guild and conceptually has changed its own place with sustainability. The findings show that sustainability of expert manpower due to the absence of trained force in business environment totally is depended on the organizational motivation but sustainability and loyalty of manpower is due to the inappropriate conditions governing the workplace including high death rates of advertising agencies, and job insecurity. Thus in the case of providing more widely accepted job opportunities, higher percent of loyalty can't be expected by the staff.

On the other hand, because of the multiplicity of organizations which after not a so long time totally change or stop their business field, satiability and loyalty lower inside the guild and cause a few issues:

1. Trained forces do not get guild essence and inevitably are not specialized and experienced.
2. short life and fundamental and ongoing changes in staff whom working in the body of the organization, makes managers not to take much risks for exploring new opportunities or investing on new areas related to business
3. The Business owners and customers perspective about this guild is seasonal and sectional one.

Based on the findings of this study, motivating human resources which guarantees organizational loyalty, contribution to innovation and entrepreneurship do not occur for two main reasons: First: absence of skill trainings for new forces who are attracted to this guild with the hope of becoming specialized. But unfortunately, due to the absence of reference, educational resources and not giving priority to promote technical knowledge by managers, human resources always complain about routine and repetition work process and after a while, lose their motivation to continue to cooperate with the respective organization and even lose their motivation to activate inside advertising guild. Second: developing a valid legal system and structure for participation of personnel in created opportunities and entrepreneurship in organization body is always one of the reasons which human resources avoid sufficient motivation to introduce opportunities and turning them into a business field or do not have enough of a sense of responsibility in the optimizing this process. Advertising agencies managers due to absence of hope to continue the activity on the one hand and absence of sufficient knowledge to align with market needs on the other hand; always have short-term expectations of created opportunities and entrepreneur, thus in the case of turning opportunities to the business fields do not imagine long-lasting term for them and due to the

seeking immediate benefit avoid giving participation to human sources.

## 2.6. Conditions and Areas

Causal factors are formed in specific environmental conditions, thus to explain this process it is necessary to understand the situation. The category of conditions and areas is composed of several sub-categories which in no order of importance, are:

1- Cultural factors, 2- Business environment, 3- Technology

Cultural environment is one of the areas which affect communication and business advertising process. Since the content of advertising and media organizations activities are particularly in close relationship with the culture, therefore, in this study, culture has been studied as a main sub-category:

A) Social Culture: What has been formed in the mind of the public and the owners of goods and services about promotional activities is undoubtedly tied to the notion of distrust, this means that historical and cultural teachings are always emphasize on this point that advertising process means magnification, exaggeration and something like lying, on the other hand job records of those who are involved in the guild is a good evidence for their instable and non-technical organizational structure. Thus distrust about organization itself and its out puts (quality of provided services) tarnish the validity of this guild by audiences and customers.

B) According to the findings of this study, organizational culture and values, which their exact definition and continuous improvement makes an underlying for effective interaction of organization members with each other and with other beneficiary organizations of clients, are facing with fundamental weakness. The values which are considered obligatory by the media guild and for the time being transparency in the sense of providing adequate and honest information about the activities which are transferred by the clients to advertising contractors are among the main problems which have not won the trust of customers. Limited number of advertising firms had caused customers to have limited options of contractors in front of them which mean the circulation of competitors' information between contractors and since the in competitive market customer-specific information has very high value. Unfortunately, the unethical transmission of this information by advertising agencies due to weakness in organizational values including privacy has created many validity problems for the activists of this guild. This problem has gone to the responsibility level and caused it to not have a desirable level and these cultural issues and organizational values are the reasons for which entrepreneurial projects and exploring opportunities are not welcomed by the customers.

Job status and identity of employees in promotional area and advertising agencies due to the dominant social culture in this space and outcomes of the previous activities totally were not positive to the process of business areas expanding and is facing with identity problem which has a negative effect on legal and governmental protections.

Business environment includes all factors that surrounding advertising business. Research findings show that at least three groups of environmental factors had a direct impact on entrepreneurship in the field of media and advertising, including: 1 - relationship with international organizations, 2 - economic factors, 3 - politics and related topics

Communication with international organizations mainly is considered as a basic root for what earlier was mentioned as benchmarking (in causal factors section). since international organizations and institutions which activate in the field of advertising in terms of identifying entrepreneurial opportunities and general and educational levels of campaigns and innovations knowledge are several steps forward thus spreading the communication fields with these organizations at least will have a few main achievement:

- 1 - Transfer of knowledge and strengthening specialized stamina of organizations
- 2- Recognizing more international tastes and help calque more fair and more temperate
- 3 - Informed of entrepreneurial process and its processes

Studies show that examples of what can be referred to as entrepreneurship and innovation in the market of Iran or organizations that have adapted somewhat to indicators of entrepreneur without exception compared with others, all are in stronger interaction with international organizations including industry associations and advertising companies in global media.

Also economic factors like all business groups are one of the main underlying affecting factors in the field of media and advertising agencies. The findings suggest that several major subgroups among economic agents, have affected the business thriving and entrepreneurship in the media more than others.

*Instability:* what the present economic of Iran is severely suffered from is pointed out as the subset of instability; In this regard international sanctions, continuous change of economic laws, fluctuating of exchange rates, absence of adequate support from the responsible organizations for business development and procrastination in creating necessary platforms for entrepreneurship, are among the sub categories of the economic instability area.

*Privatization and Foreign Investment:* since the advertising and media business are of small and medium businesses activities which are formed inside

the private sector and mainly deals with consumer goods and general audiences, creating competitive fields in business environment according to the principle 44, transferring industries and services to the private sector, joining to the competitive environment more than before and gaining customers satisfaction, is one of boom making factors in promotional activities which entrepreneurship happens subsequently after that.

On the other hand entrance of foreign investors which occurs along with economic and political confidence building has direct impact on entrepreneurship in advertising agencies from two main perspectives;

First, the international knowledge and rules governing international games due to the more specialized requests from clients, makes this industry dynamics.

Second, underlying reliability and stability which cause more entrance and activation of foreign investors also causes long-term glances and national competitiveness.

Absence of long-term economic planning which is directly affected by instability, caused owners of goods and services avoid following a connected and meaningful trend in advertising and communications and since this field for business owners is considered a cost center, absence of planning on one hand has caused unreasonable increase in the cost of these groups of activities and inefficiency of the activities and on the other hand destroys the trust in the result of promotional activities and consultants of advertising agencies as broker which cause the following results while investigating entrepreneurship process in advertising agencies:

1. Continuous change of barkers by the customers and avoid to have integrated and long-term activities.
2. impossibility of economic planning by the institutions on income and business continuity
3. Cross sectional and tradesman view of promotional organizations and institutions toward professional and within guild activities lack of spending cost on business expansion.

*Disproportionate of risk with the size of business:* what the findings of this study confirm is that despite the necessity of risk-taking for entrepreneurship and its development due to the weakness in economic, cultural and political infrastructures (mainly underlying factors) the imposed risk-taking on business owners to test, establish and expand a business field in the form of entrepreneurship in most cases is larger than the total present value of business and in case of failure it is ended at the expense of losing their entire basic business for owners of advertising agencies.

It is noteworthy that lack of long-term plans, strategic analysis and necessary skills for doing economic calculations fueled its intensity and lack of sufficient information by the managers of advertising agencies caused numerous examples of organizations which despite organizational and individual entrepreneurial spirit are suffering organizational death.

*Unfair division of job opportunities and role of economic rents:* what is obtained in conducted surveys show that in the business filed lack of healthy competitive atmosphere among the owners of the goods and services on the one hand, and lack sufficient expertise and professionalism for doing healthy competition in industry on the other hand have caused client obtaining process to become an unprofessional and unethical path.

It means that lack of control over revenue process and determining surface and bottom line of income, most advertising agencies and business owners select a broker or do their turnovers through amateur processes which cause following adverse results.

1. To forget the quality of services, the role of the expertise and professional skills in dealing with the customer
2. Strengthening the activities of the ward heelers and contaminating the interaction space with bribe
3. Deleting a large group of efficient advertising agencies due to lack of the access to these resources for gaining customer and livelihood.
4. Strengthening short- term perspective of managers and owners of active advertising agencies and not investing in the body of organization for improving management knowledge and human resource motivation and forgetting entrepreneurship trainings.
5. Assets withdrawal from advertising guild and preferring to invest in other areas of business
6. Not feel the need to compete and measure the effectiveness of brokers.

*Politics:* Political factors which it is not possible to separate them from economic factors indirectly influence entrepreneurship in the advertising and media space which is known as the intellectual and social constraints, political decisions which directly target the economic fields are limited to all political factors which like other areas affect media entrepreneurial space as well. In general it can be said that all underlying and infrastructure recessions are of main consequences of political factors.

*Technological factors:* although today media, advertising and communications spaces are dependent on technology and its functionality more than ever, but still technological factors are considered as circles of support processes that in the case of accessing and benefiting from them, they have a direct impact on



improving the quality and facilitating but are not key factors in creating the field of entrepreneurship.

Our country in this field is not considered as a force which produces entrepreneurship, thus it should be mentioned that although along with the technologies new business areas are provided but these examples are not in accordance with what we mentioned in the definitions. Since simply being the user of the technologies does not necessarily mean that you might become an entrepreneur.

On the other hand what was mentioned in this study imply that the entrance of technology in this field has drastically reduced the number of the needs for manpower employment which in its own turn miniaturize the boy of advertising agencies.

### 2.6.1. Interveners

According to the interviewees, however, the responsibility of management ability and approach are caused by causal factors and are affected by conditions and areas but in the meantime the role of intervener factors cannot be ignored. These factors with their interventions and strategies can facilitate this process. In fact, these interveners act as entrepreneur and change mediators. Furthermore if existing environmental structures were left alone then there were not any necessary causal factors that create social entrepreneurial activities. Here the essentiality of these factors shows itself. These factors with their actions and initiatives lay a ground work for process and lubricate it. The category of interveners in the GT findings of this study includes three sub categories namely: Micro –Level, 2- Intermediate Level, 3- Macro Level (Government)

#### 2.6.1.1. Micro-level

At the micro level, the following two effective categories identified by interviewees include: client and independent consultants customers: customers as major source of income and major work-related of organizations and advertising agencies like other areas plays a key role in formation and changing the principles which governing business environment in advertising area. The findings of this study identified three main axes as the main interveners by the customers

A) Distrust: executive, legal, emotional, and professional relation between promotional organizations and their clients has been recognized as an intervener in the formation of entrepreneurship. By re- referring to what mentioned in the underlying structural factors it can be said that always an aura of mistrust or doubt in the methods and ways in which confidence can be built in this space, shadowed on the whole of work process. As previously mentioned lack of specialized guild for brokers and organizations, economic rents and unhealthy relationships, cultural and historical factors that governing business,

qualitative nature of work in terms of impact on results and customer satisfaction and also weakness in measuring the performance of brokers and consultants caused advertising agencies to forget their the main concern of the, that was gaining the trust of customer. On the other hand, it makes customers to look for other ways to cover the needs instead of developing strong and reliable indicators and criteria for selecting and evaluating their brokers which by itself raises the presence of intermediaries and recommendators.

B) Lack of shared knowledge between consultants and advertising agencies and clients: One of the main reasons is short-lived working relationship between the two. Also not being able to define the customers problems, transferring needs and receiving appropriate responses are the consequences of the lack of this shared knowledge. Lack of specialized manpower, new educational resources and separation caused customers to have not enough information about their professional and specialized needs from their advertising consultants and occasionally express their expectation and problems in wrong way and the other consultants and brokers do not have the ability to respond appropriately and focus on the goal.

Of course lack of professional and structural maturity of business owners and the competitive space are among the factors which seriously damage the definition of position of advertising services and create a serious obstacle in dealing with entrepreneurial ideas and opportunities. Level of customer demand, which is the consequence of the above factor, is also considered as a serious intervener to determine the level of side interactions.

Lack of bilateral expertise (client and brokers) has caused us to be faced with two general practices. First, brokers are faced with customers who do not know their needs and for different reasons are not yet mature enough to benefit from an integrated and efficient service. Thus the advertising agencies are not working at full capacity and has to use their most basic and non-competitive specialties and therefore opportunities to develop business, interaction and entrepreneurship are taken from them. Second, customers think that brokers do not have enough ability to meet their needs so advertising agencies lose their creative role in solving the problems and defining solutions and mostly degrade to the level of performance, which both of them were introduced as customer's needs as the main interveners by interviewees. Although in this section it is necessary to mention that the advertising market of Iran has been witnessing the occurrence of entrepreneurial opportunities which promote and welcome the customers' demand and boom created business filed.

C) The level of customer demand: this is a factor that depends on the two above mentioned factors. It is an

undeniable fact that the level of customers demand in the market and the way that they look on advertising brokers are among the important factors which improve or degrade the activities of contractors. The fact is that the way in which owners of goods and services look is based on their level of scientific and technical knowledge and this way of looking formulate the problems which are related to promotional activities of the company. After the eight-year Iran - Iraq war, the beginning of reconstruction era along with the birth of domestic manufacturers and strengthening them in one way and entrance of foreign investors in other way had great impact on changing and prompting the level of customers' demand.

It should be noted that much of what today is called as knowledge of advertising and advertising business innovations are indebted to the demand of costumers who due to their presence entered international standards and technical knowledge to the markets of Iran. Mutual technical weakness between client and brokers has caused has caused us to be faced with two general practices. First, brokers are faced with customers who do not know their needs and for different reasons are not yet mature enough to benefit from an integrated and efficient service. Thus the advertising agencies are not working at full capacity and has to use their most basic and non-competitive specialties and therefore opportunities to develop business, interaction and entrepreneurship are taken from them.

Second, customers think that brokers do not have enough ability to meet their needs so advertising agencies lose their creative role in solving the problems and defining solutions and mostly degrade to the level of performance, which both of them were introduced as customer's needs as the main interveners by interviewees.

Although in this section it is necessary to mention that the advertising market of Iran has been witnessing the occurrence of entrepreneurial opportunities which promote and welcome the costumers' demand and boom created business filed.

Independent consultants: the second sub-category of micro- interveners are independent consultants which in many cases play the role of intermediate between the owners of goods and services with the brokers of advertising agencies and on the other hand aiming to replace specialized advertising force in the body of manufacturing and service organizations. Based on the findings of this study it should be noted that specialized knowledge of individual in this group often has priority on advertising brokers and clients but often suffer from lack of familiarity with administrative skills and it can be said that the presence of independent consultants have an effective role in

improving the sharing companionship between brokers and employers.

#### **2.6.1.2. Intermediate - level**

To create entrepreneurship in advertising agencies and the media in average level the following categories should be considered:

A) Guild and union: everyone knows about the role of guilds and unions in the development and prosperity of any business field. Since the advertising and media agencies do not have a union in Iran and guild in a semi-active way continues its life at level of advertising companies association. So this is one of the main fundamental weaknesses of expanding fields of business and entrepreneurship. Finding of this study studied the following three highlighted categories:

a) Lack of monitoring and evaluation has led to a strong transverse growth in this guild. despite the legal registration of more than 4 thousand trade units, the number of serious activists all over Iran in this guild does not exceed the 40 companies which causes non-specificness and decentralization in the range of activities and also directly deals with mentioned subcategories of the customer interaction and forms no expertise tradesmen environment and prevents any serious filtration and job classification.

b) Structural and nature defects of guild in terms of accountability, executive powers and interaction between legislators, define the activity scope and field of activity in trade units caused failure in efforts which have been made for systemizing guild activities.

c) Technical weakness and administrative inefficiency in this guild has caused activists to not consider the union as the largest single source and practically get marginalized. It is noteworthy that cultural problems arising from poor teamwork and logical approach toward civic activities and NGO are key factors of weakness and executive's inefficiency. Media owners can be considered as a major intervener at the middle level of the promotion. Since a major part of the promotional activities is dedicated to inform the content produced by the media and is considered as the main elements of the media promotional activities. The media owners which should get their own orders from advertising agencies turned to be a gorge due to the lack of owner ship and prevailing labor relations in the current advertising market of Iran.

Since the largest part of the business income and turnover in the process of advertising is devoted to buying and selling in media space, Thus owners of both audio and video media, online, print and peripheral parts are the fat parts of this cycle. Lack of mechanisms for measuring the effectiveness of the media functioning and monitoring systems and of course poor expertise knowledge has led the media planning, buying and selling not to have any scientific and traceable criteria and actually has become a kind of sale

intermediation activity that requires minimal specialized skill and knowledge. According to the activists themselves what are important for the success in this field are economics and financial management knowledge and not advertising specialized knowledge. That is why there is a growing tendency of advertising agencies toward media ownership in any form and turning from specialized activities which is facing numerous barriers toward media purchase, selling and intermediation. The lack of specific knowledge of customers caused them pay more attention to the presence in media sector as the only tangible result of the advertising process and in many cases eliminate the advertising and consulting brokers and directly visit media owner and practically ignore the role of agency and consultancy.

B) profit-seeking by media owners and facility in making money allows this sector to lead specialized advertising and professional oriented activities to any direction that wants, which in its own turn instead of growth increases the death rate of advertising agencies and finally cause managers to ignore the entrepreneurial opportunities in body of organizations.

### 2.6.1.3. Macro- level

The largest level of interveners is belonged to the custodians of educational system and law makers and like what is common have absolute dependence on governmental organizations and their interactions.

*Educational system:* Right now, the purpose by educational system is academic and technical-vocational educational systems which their output should be the expert and ready to work forces which are dealing with a serious weakness in Iran. Despite the fact that the oldest university of advertising guild in the world has more than one hundred years old, academic education in this field has less than 10 years old in Iran which is limited to MA (master of art degree) at Islamic Republic of Iran Broadcasting university which after 10 years still has its domestic and inter-organizational nature and has not found its way into the arena of higher education. It is obvious that advertisement is an interdisciplinary field, artistic and skill trainings have also an important role in it. Disconnect between graduates and developing curriculum based on market needs on the one hand and non-academic and non-coherent institutions on the other hand assisted non-specialized environment to destroy this newly built institution. Lack of mid-term, short-term and skill training centers is also among the key weakness of this sector.

Legislator institutions and trustee which in fact are among the highest levels of interveners group suffer from serious problems in terms of three main categories that are listed below:

A) The multiplicity of regulatory custodians, legislators and accountable in the field of advertising in

Iran caused confusion and lack of integration in administrative and regulatory procedures. Press and ministry of culture and Islamic guidance deputy, organization of Tehran beautification, commerce department of Islamic republic of Iran broad casting and media law all and all are numerous custodians which according to their own field of performance have their own monitoring and rules which in many cases do not have any written and documented aspects and makes brokers confused and thus slows the administrative processes. On the other hand this has caused custodians to scatter and escape from the responsibility of the supportive roles and necessary ground works and advertising guilds and affiliated companies like an orphan child try to get a little support, organization and integrity.

B) The lack of updates and mismatch of laws and executive approaches with what is needed in dynamic and growing advertising market in the world and Iran deepen the gap. Since advertising field continues its own life through a new innovation by reaching out to the audience, thus the dynamism of legislators and trustees and their accompaniment for organizing and bureaucratization in interaction process plays an effective role in motivating managers and owners of advertising agencies for entrepreneurship and investment in expanding the business fields. Lengthy and inefficient process of obtaining license, which is due to the multiplicity of authorities, in many cases cause to obtain support and certificates months after the loss of identified opportunity.

C) Legislative and regulatory agencies largely have a controlling and monitoring nature and often are formed and managed with the approach of determining the range of activities while nowadays the business field as one of the assumptions of economic is in need of strengthening the supportive role and making ground work more than ever.

### 3. Outcomes and Results:

According to diagram (4) as previously mentioned in categories and processes, ultimately leads to the issue as outcomes and results. In fact theory derived from the data uses "If, so, then" pattern (Ferastkhah, 2005). This means that if there exist appropriate actions in accordance with conditions and fields, thus the causes of causal factors are provided and then we will see the consequences and results. In the category of outcomes and results as can be seen in conceptual model of diagram (3), the consequences include some important subcategories which in no particular order of importance, are: Interaction Consequences of this study based on the presented model in its short form is to threaten the existence of advertising agencies, which has been interpreted as the dynamics index in media entrepreneurship knowledge. The details of the findings

in relation to Intrapreneurship are summarized as follows:

- a) Separation of opportunities from the organization body
- b) Withdrawal of funds and declining turnover
- c) compromising quality in provided services

### 3.1. Guidelines and Recommendations

According to the results of a research and researcher's understanding about the research problem, suggestions are offered as follows:

A) suggestions for planners, policy makers and decision-makers for advertising guild at government and macro- level

B) Recommendations for future research

A-1) it is suggested that government reviews, revises and supports the educational system of advertising in terms of quantity, quality content and structure. According to what was mentioned in the findings, lack of specialized knowledge, lack of skilled labor whether in the area of advertising or in customers' group and un-updateness of trainings are the main problems which advertising environment in Iran is now suffering from them and made many serious disruptions in entrepreneurship and expanding the range of business and exploring new opportunities in this field. Lack of communication between academic and industry training eliminated the industrial – skill nature of this area in a way that even the employees of this field do not consider themselves that much serious and all these problems together caused the capital flight and lack of attention toward entrepreneurship.

A-2) since creating a ranking- monitoring system and grantee the specialized and professional nature conservation is only possible through an executive power, thus it is suggested that, government tries to enhance the scientific and executive nature of this guild through creating a supportive regulatory integrated unit to codify law, executive guidelines, tariffs, ranking, investigate abuse or violation and appreciate and support the real activists. Monitoring the primary and complementary skills of individuals who apply for entering to this guild, making managerial and technical skill courses mandatory, developing retraining courses, monitoring the organizational culture governing the guild and tax rates updating are among the basic needs which their fulfillment is only possible through the direct involvement of legislative institutions that are affiliated to the government.

#### B) Suggestions for future research:

Considering that this study is among the firsts

research done in this field in Iran, thus its literature in this guild has much more importance, in order to complement and enrich the subject some key areas for future research are suggested below:

- 1) Research on the nature of media organizations entrepreneurship in Iran
- 2) Research on defining and localizing research methods for the measuring media entrepreneurship in Iran
- 3) Conducting same subject researches in other parts of media including print, environmental, television and online media
- 4) Research on designing a management model in the media organizations
- 5) Research on labor force motivation and entrepreneurship in the media organizations
- 6) Research on the role of media entrepreneurship in interaction with democracy
- 7) Research on the role of entrepreneurship and its relation with the ownership of media organizations

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