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EXPLANATION OF MANAGEMENT FACTORS AFFECTING THE DEVELOPMENT OF AGRICULTURAL GUILD ORGANIZATION IN QAZVIN PROVINCE

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ABSTRACT

Creating an identity for practitioners in this sector, protecting their rights, establishing good relationships with other organizations, setting market, creating a database, etc., agricultural guild system can help to improve social and economic situation of farmers, to improve quantity and quality of the products and to achieve sustainable agriculture. The main goal of this research is to identify management factors that influence development of the agricultural guild system in Qazvin province. The present study is classified as inductive in terms of “execution logics”, practical in terms of "objective of investigation", quantitative in terms of “process of execution” and non-trial and correlation in terms of “data collection”. Statistical society of this research is composed of members of agricultural guild system of Qazvin province. Therefore a sample of 306 people was selected by stratified random sampling and required information was gathered through questionnaires. Validity and reliability of the questionnaire have been approved respectively by expert panel and Cronbach Alpha (0.935-0.904). In this study, SPSS and regression analysis were used to test the developed theoretical model. The test results show that in this model, while explaining and describing 85% of data, contributing factors, Transparency and accountability against the responsibilities, Respect and Social Character of Managers, Having necessary flexibility to engage members in the decision-making, Leadership Skills of Managers, Technical skills of managers, Establishment of an efficient system for exchange of information, Effective communication between managers and members, Stable management and Management Knowledge have significant positive impact on the development of agricultural guild organization.

Keywords: *Agricultural Guild Organization, Agricultural Organization, Qazvin Province, Management Factors*

INTRODUCTION

Growth of agriculture as the basis for achieving developmental goals is inevitable in our country. So that some of these goals such as food security, self-reliance, foreign exchange reserves, environmental protection and sustainable development, poverty reduction, increased security, improved living standards, etc. are directly related to growth and development of agriculture. But this important economic sector faces too many problems and challenges which must be managed at first in order to progress towards development. Overcoming problems including water scarcity, environmental degradation, fragmentation of agricultural lands on one hand and high costs of farming and increased risk of investing in this sector, on the other hand, reveal the need for active and organized participation of farmers more than past. Obstacles and challenges noted, in addition to other bottlenecks, have become so widespread that the government cannot solve them alone.

By enabling producers and establishment of regular interaction between them, active participation in the planning and policy making process and efforts to reduce charge of the government, benefiting from model role of local leaders and promoting technical knowledge of producers through information balance and facilitation of following up claims, barriers and problems among producers, and communication of the organizations with governmental agencies and scientific and research centers, agricultural organizations can make great strides in development. Agricultural organizations are complexes that by

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attracting public participation, on one hand are sensitive to the needs and desires of their members and move towards meeting these needs and expectations and on the other hand, carry some social responsibilities and also assume responsibility towards their community.

In this regard, several attempts are made at different times to launch and develop rural organizations, but different cultural, social, political and economic issues caused this growth and development not be realized to the desired shape. Until 2007 when the government approved Executive Bylaw of Guild System for Agricultural Affairs and it was notified to the Ministry of Agriculture to be executed and organizing these guild organizations, purpose of which is taking advantage of participatory approaches to promote professional identity of farmers and defending their interests, taking part in planning and policymaking, social and economic wellbeing of the members, etc. was placed on the agenda of the agricultural organizations office.

Agricultural guild system is considered as a comprehensive participatory structure of agricultural sector and partnership-oriented approach that promotion of employment and social identity of farmers and defending interests of producers and operators of agricultural sector are considered as its main goals (Administrative and Financial Statute of Association of Agricultural Guild System, 2012).

These organizations have begun to work in cities for less than 3 years. Development of these guild associations in the agricultural sector can provide conditions of sustainable development in agriculture by attracting maximum participation of farmers, increased communication among farmers and between farmers and government sectors and coordinating activities between them, promotion of knowledge of members and decreasing the government's charges.

In the UN experts' opinion, effective and successful function of the organizations including NGOs in agricultural sector, in the context of globalization, depends on three conditions:

1- in terms of organization, 2- in terms of markets, and 3- in terms of management. Regarding the third requirement that is the subject of this study, more and more development of a profession orientation approach in management, improved management information systems and relationships with members are emphasized (Saadi, 2009). Also management knowledge is considered as an important factor of production in the modern era and its importance is added every day. Organization's success in meeting its goals and fulfillment of its social responsibilities depends to a great extent on the ability of its managers (Alavi, 1998). Managers of NGOs as coordinator of activities, play a key role in guiding them and when they will be able to play the role that they have outstanding features (Ahranjany and Moghimi, 2003). Esmaili (2006) in a research titled "Identification and Evaluation of Success Factors of Rural Cooperative Companies and Unions of Isfahan Province", define management as knowledge and art of organizing and directing company resources in order to achieve predicted objectives and know members' and managers' education, and also their experience as effective factors in their efficiency. Results of research of Amini and Ramezani (2006) show that about 26% of success of cooperative companies depends on the workforce and 47% of which depends on the management factors. The results of Amini and Safarishali (2002) reveal the fact that in companies more specialized board of directors, members' participation in increasing capital is more than firms with less education.

Evidence also suggests that leadership ability and communication between the board and management are crucial (Sargent, 1982). Management skills (Abdollahi and Iman, 2006), technical skills of managers and their human skills (Amini and Ramezani, 2006), professional knowledge of managers (Daneshvar *et al.*, 2009; Safarishali, 2001), leadership style (Ahranjany and Moghimi, 2003), (Adefila, 2011; Osterberg, 2009), management background and work experience (Amini and Esmaili, 2008), (Osterberg, 2009), social communication (heidarpour et al, 2008), transparency and accountability against responsibilities (Planning Office, 2002), (Abaru *et al.*, 2006) and the use of participatory methods (Abaru, 2006) are of other management factors affecting the development and success of agricultural organizations. Another factor that experts think has a very important role in the development of guild systems is stable management. This research aims to study management factors affecting development of guild system of agricultural affairs in Qazvin Province. Identification of these factors can play an effective role in achieving the objectives by the guild systems.

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MATERIALS AND METHODS

Method of Research

The present study is classified as deductive in terms of “execution logics”, practical in terms of "objective of investigation", quantitative in terms of “process of execution” and non-experimental and correlation in terms of “data collection”. Statistical population of this research is composed of 5713 members of agricultural guild organization of Qazvin province. Therefore a sample of 306 people was selected by simple random sampling and Cochran's formula and required information was gathered through questionnaires. Validity and reliability of the questionnaire have been approved respectively by expert panel and Cronbach Alpha (0.935-0.904). Data analysis was performed by SPSS software in two descriptive and inferential parts using statistical methods, frequency tables, central indicators and dispersion and regression.

RESULTS AND DISCUSSION

This section describes statistical characteristics of the sample and then the developed theoretical models have been tested.

-Personal and Professional Characteristics

Based on the findings listed in Table 1, average age of farmers surveyed was 45 years and the youngest and oldest subjects were respectively 20 and 75 years old. Investigation of work experience of members show that average record of this work was 21years and the median was 20 years. Also average of membership record of the sample members in the guild organization was 1.5 years and its minimum and maximum respectively was 1 and 3 years. Cultivation analysis of the sample members suggests that average of total area of these members’ land for gardening was 19.37 hectare and its minimum and maximum respectively were 1 and 160 hectare. The results show that average of cultivated garden area was 5 hectare and its minimum and maximum respectively were 1 and 18 hectare.

Table 1: Individual and professional characteristics of agricultural guild organization members of Qazvin Province

Variables	Mean	Median	Mode	Standard deviation	Minimum	Maximum
Age (year)	45	44	40	12	20	75
Education	-	Primary school	diploma	-	-	-
Professional experience (year)	21	20	20	12	1	56
membership in the guild organization (year)	1.5	1.5	1	0.5	1	1
Farm land area (hectare)	19.37	10	10	23.6	1	160
Garden land area (hectare)	5	3	2	4.5	1	18
Land ownership	-	-	personal	-	-	-
Irrigation resource	-	-	Deep well	-	-	-

-Prioritization Items of Development Index of Agricultural Guild Organization

Table (2) prioritizes the development indices of guild organization using the **Ordinal coefficient of variation**. According to results listed in this table, from the members’ viewpoint, the item of “efforts to provide qualitative and quantitative conditions of social welfare” and “efforts to improve the economic situation and to promote welfare of the union members” with the lowest coefficient of variation with the

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first and second most important priority are the most important items and the item of “efforts in establishment of sports and cultural clubs” with the highest coefficient of variation is of utmost importance.

Table 2: Prioritization items of development index of agricultural guild organization

Development of agricultural guild organization item	Median	Ordinal standard deviation	Ordinal coefficient of variation	Rank
Efforts to provide qualitative and quantitative increase in social welfare such as insurance	5	0.631	0.1262	1
Efforts to improve the economy and increase in welfare of the union members	5	0.666	0.1333	2
Efforts to join and participate in decision-making bodies related to agricultural sector	5	0.749	0.1499	3
Efforts to vindicate legitimate rights and requirements of the members	4	0.631	0.1578	4
Creating an appropriate situation for ratification and approval of appropriate laws and regulations that guarantee the rights of the guild members	4	0.647	0.1616	5
Possibility of informing policy makers and planners and managers of professional demands of the guild members	4	0.656	0.1641	6
Giving credit to agricultural occupations	4	0.661	0.1654	7
Facilitation of communication and interaction between the public sector and producers and farmers in agricultural sector	4	0.664	0.1660	8
Follow up to overcome the guild obstacles and problems and development of employment capacities and opportunities in agricultural sector	4	0.666	0.1666	9
Promoting employment and social quality for producers and distributors of the sector	4	0.666	0.1666	10
Protecting social and guild rights based on job and type of activity	4	0.669	0.1672	11
Communication and collaboration with organizations and agencies associated with the functions of guild system	4	0.671	0.1678	12
Providing technical and legal comments and advice in regard to provision of bills and initiatives related to the concerned authorities	4	0.674	0.1684	13
Efforts to improve the social and cultural status of the union members	4	0.683	0.1709	14
Cooperation in the establishment, strengthening and expansion of agricultural organizations	4	0.693	0.1732	15
Efforts to improve the quality of production and establishment of procedures of quality control by providing technical services to members	4	0.764	0.1912	16
Monitoring and control of high quality and healthy product, with cooperation of the relevant organizations	4	0.796	0.1990	17
Delegating certain tasks of the State to the guild systems	4	0.861	0.2153	18
Efforts to establish cultural and sports clubs for members in comply with regulations	4	1.016	0.2540	19

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- Prioritize items of Management Factors

Cases listed in Table 3 shows prioritization of management factors items using **Ordinal coefficient of variation**. These results indicate that, from the members’ viewpoint, the item of “Having necessary flexibility to engage members in the decision-making and “Establishment of an efficient system for exchange of information” with the lowest coefficient of variation with the first and second most important priority are the most important items and the item of “Timely holding of general assemblies” with the highest coefficient of variation is of utmost importance.

Table 3: Prioritization items of social factors

Items of management factors	Media n	Ordinal standard deviation	Ordinal coefficient of variation	Ran k
Having necessary flexibility to engage members in the decision-making	4	0.613	0.1532	1
Establishment of an efficient system for exchange of information	4	0.621	0.1552	2
Transparency and accountability against the responsibilities	4	0.634	0.1585	3
Leadership Skills of Managers	4	0.636	0.1591	4
Respect and Social Character of Managers	4	0.646	0.1616	5
Effective communication between managers and members	4	0.649	0.1623	6
Technical skills of managers	4	0.657	0.1641	7
Stable management and lack of undue displacement of forces	4	0.684	0.1709	8
Management experience and experience of managers	4	0.686	0.1714	9
Management Knowledge of Managers	4	0.688	0.1720	10
Specialized Knowledge of Managers	4	0.693	0.1732	11
Managers’ Education	4	0.707	0.1767	12
Teamwork skills and the use of participatory methods by managers	4	0.714	0.1785	13
Timely holding of general assemblies and monitoring of the approvals implementation	4	0.760	0.1901	14

Measuring range: 1 = very low, 2 = low, 3 = moderate, 4 = high, 5 = very high

Results

In this study, multiple regression was used to identify management factors affecting the development of agricultural guild organization in Qazvin province and test the conceptual model.

The results listed in Table 4 indicate that the effect of 9 input variables i.e. “Management knowledge of managers”, “Technical skills of managers”, “Respect and Social Character of Managers”, “Leadership skills of managers”, “Transparency and accountability against the responsibilities”, “Stable management”, “Having necessary flexibility to engage members in the decision-making”, “Effective communication between managers and members” and “Establishment of an efficient system for exchange of information” was significant and these variables remained in the model but variables of “Specialized Knowledge of Managers”, “Managers’ Education”, “The experience of managers”, “Timely holding of general assemblies” and “Teamwork skills and the use of participatory methods” was removed from the model.

(R^2_{Adj}) coefficient equal to 0.847 indicates that approximately 85% of variance of the dependent variable is explained by independent variables of the model. Also the beta coefficient indicates that

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“Transparency and accountability against the responsibilities” variable has more important contribution in prediction of dependent variable. According to the results, the linear equation of regression analysis is as follows:

$$Y = 0.018 X_2 + 0.114 X_4 + 0.142 X_5 + 0.120 X_7 + 0.156 X_8 + 0.083 X_{10} + 0.136 X_{12} + 0.086 X_{13} + 0.108 X_{14}$$

Table 4: Regression analysis for examining effective management factors on agricultural guild organization development

Variables	B	Beta	T	Sig
Constant coefficient	0.976	-	7.378	0.000
Specialized Knowledg (X1)	-0.022	-0.029	-1.253	0.211
Management Knowledge (X2)	0.063	0.081	2.389	0.018
Managers’ Education (X3)	-0.003	-0.004	-0.169	0.866
Technical skills (X4)	0.080	0.114	2.187	0.030
Respect and Social Character (x5)	0.099	0.142	2.661	0.008
Management experience (X6)	0.014	0.018	0.662	0.509
Leadership Skill (X7)	0.081	0.120	2.724	0.007
Transparency and accountability (X8)	0.106	0.156	3.364	0.001
Timely holding of general assemblies (X9)	0.010	0.013	0.467	0.641
Stable management (X10)	0.064	0.083	2.261	0.024
Teamwork skills (X11)	0.017	0.025	0.882	0.379
Participatory decision-making (X12)	0.096	0.136	3.054	0.002
Effective communications (X13)	0.056	0.086	2.022	0.044
Timely holding of general assemblies (X14)	0.075	0.108	2.222	0.027
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<i>sig</i> = 0.000	<i>F</i> = 126.797	<i>R</i> ² _{Adj} = 0.847		

Discussion

In this research regression analysis was used to achieve the goals and to test hypotheses. The results show that nine variables of “Transparency and accountability against the responsibilities”, “Respect and Social Character of Managers”, “Having necessary flexibility to engage members in the decision-making”, “Leadership skills of managers”, “Technical skills of managers”, “Establishment of an efficient system for exchange of information”, “Effective communication between managers and members”, “Stable management” and “Management knowledge of managers” are respectively the most important factors in prediction of the variable of development of agricultural guild organization. But the role of “Specialized Knowledge of Managers”, “Managers’ Education”, “The experience of managers”, “Timely holding of general assemblies” and “Teamwork skills and the use of participatory methods” in the development of agricultural guild system was not significant and this variable was deleted from the model .

- According to the results, members feel that transparency and accountability against responsibilities affects the development of agricultural guild system with higher priority than other items. This result emphasizes the findings of Planning Office (2002) and Abaru *et al.*, (2006). It is recommended that greater transparency and accountability on the responsibilities are considered by the managers and authorities of these organizations.

- In this research, among the characteristics of directors, effectiveness of managers’ respect and social character and leadership skills, managerial knowledge and technical skills on the development of agricultural guild system has been accepted and results of research of Ahranjany and Moghimi (2003),

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Amini and Ramezani (2006), Alavi (1998), Adefila (2011) and Osterberg (2009) are approved. This result suggests that from views of the members, increase in satisfaction will have a positive impact on development of guild system. It is suggested that the above mentioned features are given special attention in selection of managers.

- According to the survey results, the influence of effective communication between managers and members and to establish an efficient system for exchange of information among members of the guild system and between members and officials on the development of guild system is accepted with a 95% confidence level. Based on these results it appears that from views of the members, developing relationships have a positive impact on the development of the guild system. These findings confirm results of research of Saadi (2009), heidarpour *et al.*, (2008). Therefore, it is suggested to take measures such as mutual interaction between people and managers and increase in the interconnections among members and appropriate systems are designed to inform members.

- Effects of flexibility needed to engage members in decision-making in the development of guild systems are also accepted in this study with a 95% confidence level. It is suggested that necessary arrangements be made for the greater participation of members in decision-making.

- The results did not accept positive impact of professional knowledge and education of managers on the development of guild systems and research results of Amini and Safarishali (2002), Daneshvar *et al.*, (2009), Safarishali (2001) and Esmaeili (2006) were not confirmed.

- Also the findings of this study, unlike the results of Amini and Esmaeili (2008) and Osterberg (2009) did not approve the impact of management background on the development of guild system and unlike findings of Abaru *et al.*, (2006) did not approve the use of participatory methods by managers and holding public meetings on time.

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