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# SOCIOLOGICAL CHARACTERISTICS AND THEIR EFFECT ON DEVELOPING THE ENTREPRENEURSHIP OF PRODUCTION COOPERATIVES MANAGERS

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### **ABSTRACT**

This study was aimed at evaluating the sociological characteristics and their effect on entrepreneurship development among production cooperatives managers. Data was collected through documentary studies, compiling, interview, observation, and, most importantly, using a questionnaire. Executive experts confirmed the study tool's validity. The questionnaire's reliability evaluated through Alpha Cronbach's coefficient (> 0.8). Based on the results, there was a positive and significant relationship with 99% confidence level between factors that affecting development of entrepreneurship and variables of governments' policies and ones taken in the cooperative sector, emphasize on the importance of investment in cooperatives as an important part of economy, entrepreneurial culture and insight as well as respecting the entrepreneurs, society's professional insight toward entrepreneurship in order to have a professional and scientific entrepreneurship, entrepreneurs' personal, demographic, and psychological characteristics, characteristics of entrepreneurs' success, entrepreneurship motivation, supporting the entrepreneurs, marketing, and entrepreneurship development barriers and limitations. In addition, there was a positive and significant relationship with respect to the 95% confidence level between the dependent variable of the study and variables of field of study and locations initiated for creating new businesses. Results of a multiple regression also indicated that three variables of demographic characteristics, characteristics of entrepreneurs' success, and importance of investing in cooperatives as an important part of economy can explain 40.2 % of dependent variable's variance.

**Keywords:** Production Cooperatives, Demographic Characteristics, Agriculture sector, Employment, Development

#### INTRODUCTION

Nowadays, necessity of economic development is understandable, although it cannot be the final objective of a society, but it is obvious that has a significant role in achieving political, cultural, and social independency in any country. At the present time, a country without suitable degrees of economic independence would be politically and socially influenced by great powers and cannot have any place in today's world power. One of the most important economic sectors of every country, especially the developing ones, according to their population growth, is the agriculture sector, which have an important role in their future through providing food and raw materials (Salehi, 2010).

Macroeconomic policies of the third world rural development has been significantly shifted since 1950s, seeing that failure in achieving development programs which follow the policy of technology transfer and up-down approach caused that owner-driven approaches and development model based on public participation become a priority and using nongovernmental organizations (NGOs) and grassroots activist groups in the development progression hold a specific stage in 1980s and 1990s. In the other hand, structural adjustments and liberal policies of 1990s increased the attention to attract the active participation of local groups in rural development plans and transfer the management from the government to the locals (Yercan, 2003).

Rahimi (2008) believes that entrepreneurship development needs to identify appropriate structures and effective strategies so that it can provide the essential conditions to realize entrepreneurship in the society. One appropriate structure to attract entrepreneurs is the cooperative sector (Rahimi, 2008).

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Cooperative's economic performance, at first glance, may be evident but the truth is that this organization is not limited to economic issues and can be used in other fields. The importance of cooperatives is that in addition of having the characteristics of a commercial and economic unit, they have social and ideological values (Sheykhi, 2008).

Gathering low capitals and governmental supportive facilities, agricultural and production cooperatives accelerate the process of economic growth and resolve the unemployment problem. Because of having complete information of economic activities, agricultural cooperatives can favorably unite the production factors and maximize the exploitation from investments through the coordination of force and available amenities, which leads to the reduction of production costs, increase of companies` interest and income, and employment. If cooperatives have an appropriate management, they can involve people in group activities and, using the government supports and collecting people`s low savings, participate them in investments, which make them feel responsible of companies and public capitals which are belonged to them and in investments, resolving the unemployment problems, and increasing the national production that finally lead to employment and entrepreneurship development (Salehi, 2007).

Today, different forms of cooperatives in villages (including rural production cooperatives, agricultural cooperatives and rural cooperatives) are a powerful socio-economic tool in the field of country's rural development having valuable capacities to move the agricultural and rural development process forward by following the overall development of the country. These organizations help farmers to raise their production and marketing capacity in the current competitive market and gain a more added value (Salehi Saeedi, 2010).

Jahanbani (2010) believed evidences in the society indicate that cooperative is a suitable choice for entrepreneur and entrepreneurship considered as a precondition of cooperative success and there is an influential relationship between these two. He emphasized that when entrepreneurship enters the cooperative circle, it can be hoped that cooperatives, using creativity and innovation, identification, opportunities, and risk-taking, can create an acceptable position in the competitive business and win (Jahanbani, 2010).

Because one of the positive phenomena of entrepreneurship is the productive employment, plan of entrepreneurship development was designed to resolve the problem of unemployment in the country and use all entrepreneurship consequences such as detecting the creativity and making wealth. Concept and thought of entrepreneurship is not a new one; it is belonged to a period before the middle ages and experienced evolutions. Briefly, entrepreneur is the organizer and activator of an economic (or uneconomic) unit and business in order to gain personal or social interest and achievements (Jahanian, 2006).

Agriculture production cooperatives provide the fields of villagers participation in the rural development process, resolves the farmer's professional problems in social and economic fields through donation and synergy, and, as an exploitation and reorganization system in the agriculture sector, play an effective role in agriculture production structure optimization, and according to the importance of the farmers participation in regional planning, they can realize it for the farmers (Shajari, 2004). In addition, it can be stated that in future, because of the population and agriculture growth, yeoman will have the problem of land fragmentation and production units will be small-scaled. Thus, production cooperatives, in addition to reduce the costs and increase the farmers' income, can help the country to develop the agriculture, increase the production, and sufficiency in basic and strategic products through aggregating farmers' facilities, economizing agricultural activities, and optimization of using inputs such as poisons and chemical fertilizers. Given that the main reason of emphasizing on production cooperatives establishment and development is to modify the current situation and undesirable structure of agriculture exploitation system and implement suitable and modern exploitation systems in order to have sustainable development as well as rural and regional balanced development, parallel to the quantitative development of such people-oriented production organizations, it is necessary to follow their qualitative development more seriously (Jahanbani, 2010).

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Evaluation of employment in the main economic sectors indicates that services with 46.9% account for the highest share of employment. Industry (32.8%) and agriculture (20.3%) sectors are the second and third, respectively (Tabnak, 2012). Identification of different factors affecting the situation and success of agriculture production cooperatives helps the authorities to justify and modify the current plans based on the facts and facilitates the future planning of agricultural cooperatives more effectively. Undoubtedly, variables affecting the situation of such organizations are highly affected by the special local conditions. Thus, selecting Qazvin province as the geographical region of the study, this study was aimed at identifying factors affecting the development of entrepreneurship in this province's agriculture cooperatives. Lack of clear literature regarding the subject of the study in the region is another reason which has led us to conduct this study.

Factor analysis of the study of Jahanbani *et al.*, (2010), evaluation of strategies of entrepreneurship development in agriculture cooperatives in Ahwaz city, indicates that five factors of training-motivational, investment-innovational, partnership and infrastructural development explain about 57.3% of factors affecting the entrepreneurship development in agriculture production cooperatives.

Abdollahi (2010) in his study, identification of factors affecting the success of rural cooperatives in Dasht-e Azadegan city, stated that the findings of average comparison test indicate a significant difference with 99% confidence between the attitude of typical members who are aware of the cooperatives situation and their leaders toward the level of theses cooperatives success. In addition, results of exploratory factor analysis indicated that factors affecting the success of agricultural cooperatives are categorized in five training- promotion, economic, managerial, entrepreneurial, policy-making, and control factors.

Jahanbani (2010) identified the strategies to develop entrepreneurship in Khuzestan province's agriculture cooperatives and concluded that factors of agriculture cooperatives weakness, advantages, threats, opportunities, strategies of entrepreneurship development, factors affecting the entrepreneurship, visits, managerial and organizational factors, and entrepreneurship potentials in cooperative sector explain about 65.166, 78.398, 71.608.83.14, 55.35,80.16, 81.47, 80.16, and 78.01 percent of the variance.

Feyz (2007) evaluated the role of entrepreneurship, adherence to cooperative principles, and their relationship with the success of cooperatives. Findings indicated that there is a positive and significant relationship between entrepreneurship and cooperative principles and between each one's relation with the success of cooperatives. In addition, there was a significant relationship between adherence to the principles and cooperative success. The relationship of adherence to the principles and entrepreneurship was positive and significant.

Qaderi (2006), in a study, relationship between the manger's entrepreneurial skills and organizational effectiveness in small and medium businesses of Qum province, evaluated the presence of entrepreneurs as a new strategy to achieve innovation and capture opportunities for the organization's success, growth, and survival. Results indicated that there is a significant difference between manager's entrepreneurial skills and organizational effectiveness in the case study. In addition, Friedman was used to prioritize different items of managers' entrepreneurial skills. Test's results showed that communication skills ranked higher than personal and process ones and the process skills ranked higher than the personal ones. Ardekani (2006) evaluated the entrepreneurship barriers in cooperatives. Results indicated that inefficient administrative bureaucracy, deficiency in tax and duties system, and financial uncertainty in new cooperative are the first, second, and third important barriers, respectively.

Andadeh (2004), in a study, identification of the successful entrepreneurs in the rural society of Isfahan province and evaluation of factors affecting their success, concluded that only 23% of the case study entrepreneurs are satisfied with the situation of administrative bureaucracy in the country, which is related to their business.

Maghsodi *et al.*, (2011), in a study, supporting the entrepreneurship development in agriculture production cooperatives, with statistical population of 492 directing managers of Khuzestan province agriculture production cooperatives, concluded that the increase of relationship to develop entrepreneurship is the first priority and the other priorities emphasized on setting the basic governmental

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instructions to support and develop entrepreneurship. Establishment of supportive network for entrepreneurship sectors, establishment of entrepreneurship development centers, identification and resolving structural barriers and limitations of entrepreneurship development in the cooperative sector are the main factors affecting the entrepreneurship development in the agriculture production cooperatives. In addition, results of factor analysis showed that five financial(18.84), research(17.19), organizational(17.1), information(14.43), and supportive activities(12.85) about 80.41% of the variance of supportive mechanisms for agriculture production cooperatives in developing the entrepreneurship.

Qiyasvand (2009) conducted a study related to factors affecting the agriculture cooperatives in Iran. Evaluations were carried out on the understanding of agriculture cooperatives managers. Effective factors were classified into 8 categories namely psychological, training, economic, organizational, financial, personal characteristics, and social and civil law factors.

Swanson (2008) believed that leadership, financial audit, managerial, and organizational skills of the cooperatives members are the necessities of these organizations` success and development. In the other hand, the researchers indicated that NGOs, donor agencies, and development and extension agencies, through providing different financial and intellectual services, can have a significant share in creating and developing social capitals in rural communities in the form of different farmer groups especially at the primary stages of establishment.

Ortmann and King (2007) introduced the macroeconomic conditions in the society, quality of farmers associations (such as leading them and their potential in affecting the decision-makings), and overall policies of the governments such their interest in decentralization as important factors affecting the success of cooperatives and, totally, development of the world's cooperation movement.

### MATERIALS AND METHODS

Statistical population of the study includes all production cooperatives managers, experts of rural cooperative, experts of production cooperatives located at cities and rural districts and agriculture cooperatives of Qazvin province. A census method was used due to the limited number of cooperatives (N = 86). Documentary study, interview, observation, and field studies as using questionnaire were used to carry out the research and data collection. Dependent variable of this study is the factors affecting the entrepreneurship development in agriculture cooperatives. Stepwise multiple regressions were used to estimate the function of entrepreneurship development. In addition, a path analysis was used to evaluate the direct and indirect effect of independent variables on the dependent one. SPSS19 was used to estimate the information of this study. Methodology of the present study is descriptive- correlational and analytical (casual- communicative type). Panel of experts method was used to determine the study tool's validity and, after collecting the ideas, necessary modifications were performed. To evaluate the entrepreneurship development in the region's agriculture cooperatives, 13 items were designed and respondents were asked to respond them carefully. Choices were designed in a five-point (very low, low, average, high, very high) spectrum (Likert scale) and, finally, results of this questionnaire were evaluated and measured. Cronbach's alpha coefficient was used to determine the reliability of the questionnaire, which was greater than 0.8 for all parts of the questionnaire.

#### RESULTS AND DISCUSSION

#### Results

## Descriptive Statistics

Evaluating the frequency distribution of members in terms of gender, 74 (86%) and 12(14%) ones were male and female, respectively. In addition, 12 (14%) ones were single and 74(86%) ones were married (table 1).

Educational level is a characteristic affecting many of the individuals` reactions so it is evaluated in nearly all field studies. Evaluating the educational level of Qazvin province agriculture cooperative members, indicated that 8(9.3%), 18(20.9%), 42(48.8%), and 18(20.9%) ones hold under high school diploma, diploma and associate, bachelor, and higher bachelor degrees, respectively (table 1).

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In terms of field of study, 45(52.3%), 4(4.7%), 5(5.8%), and 32(37.2%) ones studied agronomy, plant medicine, plant production, and other agriculture fields, respectively. In addition, evaluating the years of experience, results indicated that 2(2.3%), 22(25.6%), 21(24.4%), and 41(47.7%) ones have less than 2,2-5,5-8, and more than 8 years of experience, respectively (table1).

Evaluating the average monthly income of the members of the region's agriculture cooperatives, 78(90.7%), 6(7%), 1(1.2%), 1(1.2%) ones have an income of more than 10 million, 10-15 million, 16-20 million, and more than 20 million Rials per month, respectively (table 2).

Evaluating the average monthly income of the members from other economic activities, 71(82.6%), 13(15.1%), 1(1.2%),1(1.2%) ones have an income of more than 10 million, 10-15 million, 16-20 million, and more than 20 million Rials per month, respectively (table 2).

Evaluating the cooperatives characteristics, 63(73.3%), 13(15.1%), and 10(11.6) ones work in agriculture production cooperatives, rural cooperatives, and joint stock companies, respectively (table2).

It was indicated that 7(8.1%), 50(58.2%), 5(5.8%), 24(27.9%) cooperatives were established before 1986, between 1987 and 1996, from 1997 to 2006, and after 2007, respectively (table 2).

Table 1: Frequency of individuals in terms of personal characteristics

Variables	Frequency	Percent	Cumulative	
	(Person)		Percent	
	Gender			
Male	74	86		
Female	12	14		
	<b>Marital Status</b>			
Single	12	14		
Married	74	86		
	Age Groups			
28-38	28	32.	.6	32.6
39-48	37	43	75.6	
49-58	18	20.9	96.5	
Over 59	3	5.3	100	
	Education			
Under high school diploma degree	8	9.3	9.3	
high school diploma and associate degrees	18	20.9	30.2	
Bachelor degree	42	48.8	79.1	
Higher bachelor degree	18	20.9	100	
	Field of study			
Agronomy	45	52.3		
Plant medicine	4	4.7		
Plant products	5	5.8		
Others	32	37.2		
Ye	ears of membership			
2 years >	2	2.3	2.3	
2-5	22	25.6	27.9	
5-8	21	24.4	52.3	
8 years <	41	47.7	100	

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Table 2: Frequency of individuals in terms of economy characteristics and type of cooperative

Variables	Frequency (Person)	Percent	<b>Cumulative Percent</b>			
Average monthly income from cooperative (Million Rials)						
10>	78	90.7	90.7			
10-15	6	7	97.7			
16-20	2	1.2	98.8			
21<	2	1.2	100			
	Total monthly income (Million Rials)					
10>	71	82.6	82.6			
10-15	13	15.1	97.7			
16-20	1	1.2	98.8			
21<	1	1.2	100			
Type of cooperative						
Agriculture production cooperatives	63	73.3				
Rural cooperatives	13	15.1				
Joint stock companies	10	11.6				

Spearman and Pearson coefficients of correlation were used to determine the relationship between dependent variables and the variable of entrepreneurship development in agriculture production cooperatives. Based on the results, there is a positive and significant relationship with a 99% confidence between factors affecting the development of entrepreneurship and variables of governments` policies and ones taken in the cooperative sector, emphasize on the importance of investment in cooperatives as an important part of economy, entrepreneurial culture and insight as well as respecting the entrepreneurs, society's professional insight toward entrepreneurship in order to have a professional and scientific entrepreneurship, entrepreneurs` personal, demographic, and psychological characteristics, characteristics of entrepreneurs` success, entrepreneurship motivation, supporting the entrepreneurs, marketing, and entrepreneurship development barriers and limitations.

In addition, there was a positive and significant relationship with 95% confidence level between the dependent variable of the study and variables of field of study and locations initiated for creating new businesses (table 3).

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**Table 3: Relationship between the study variables** 

First Variables	Second	Correlation	Level of
	Variable	Coefficient	Significance
Age $(X_1)$	hip	-0.75	0.492
Field of study $(X_2)$	ırs	$0.221^{*}$	0.041
Number of cooperative members $(X_3)$	neı	-0.141	0.196
Governments' policies and ones taken in the cooperative $sector(X_4)$	repre	0.402**	0.000
Emphasize on the importance of investment in cooperatives as an important part of economy $(X_5)$	ant of ent	0.462**	0.000
Entrepreneurial culture and insight as well as respecting the entrepreneurs $(X_6)$	lopme	0.417**	0.000
Locations initiated for creating new businesses (X <sub>7</sub> )	deve	0.221*	0.04
society's professional insight toward entrepreneurship in order to have a professional and scientific entrepreneurship $(X_8)$	Factors affecting the development of entrepreneurship	0.282**	0.009
Rate of knowledge about entrepreneurship $(X_9)$	ctors (	0.058	0.593
Entrepreneur's personal characteristics $(X_{10})$	На	$0.472^{**}$	0.000
Entrepreneur's demographic characteristics $(X_{11})$		0.499**	0.000
Entrepreneur's psychological characteristics $(X_{12})$		0.359**	0.001
characteristics of entrepreneurs' success $(X_{13})$		0.469**	0.000
Notifications about entrepreneurship $(X_{14})$		0.202	0.062
Entrepreneurship motivation $(X_{15})$		$0.388^{**}$	0.000
Entrepreneurship training $(X_{16})$		0.120	0.272
Supporting the entrepreneurs $(X_{17})$		0.434**	0.000
Marketing $(X_{18})$		0.517**	0.000
entrepreneurship development barriers and limitations $(X_{19})$		0.467**	0.000
**P<0.01			

Table 4: Comparison of variables using Mann – Whitney U Test(N=86)

Grouping Variable	Test variable (Mann – Whitney )	Value of U	Level of Significance
Gender	Entrepreneurship development	376.5	0.399
Marital status	Entrepreneurship development	403.5	0.613
**P<0.01	*P<0.05		

Table 5: Comparison of variables using Krukal Wallis test (N=86)

<b>Grouping Variable</b>	Test Variable (Kruskal-Wallis )	Value of X <sup>2</sup>	Level of Significance
Type of cooperative	Entrepreneurship development	4.109	0.250
**P<0.01	*P<0.05		

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Kruskal-Wallis and Mann-Whitney tests were used to compare the different groups. Based on the results, there was not any significant relationship between the variables of type of cooperative, marital status, and gender and the variable of entrepreneurship development (tables 4 and 5).

A multiple stepwise regressions were used to determine the collective effect of independent variables on the dependent one. In this method, those independent variables that showed significant effect on the dependent one had chance to enter the equation. Based on the results of regression, three variables of: demographic characteristics, entrepreneur's success characteristics, and emphasize on the importance of investment in cooperatives as an important part of economy remained in the equation and, interactively, explained 40/25 % of the dependent variable's (entrepreneurship development) variance (table 6). Given the results of Enter multiple regression, other 11 independent variable's having a significant effect on the dependent one explained only 3/2% of the dependent variable's variance. Thus, 56/6% of the dependent variable's variance is explained by other factors not considered in the present study. Standardized coefficients (Beta) were used to compare the effects of three independent variables in the regression model on the dependent variable. Given the regression coefficients and constant attained from the multiple stepwise regression analysis test, regression equation of the study is as below. Note that study's independent variables having nominal scale were virtually entered regression equation.

Table 6: Results of the final model of Multiple regression of entrepreneurship development in agriculture production cooperatives based on the study's independent variables

Predictive Variable	Non-Standa Coefficients		Standardized Coefficients	Calculated T	Level of Significance
	Sign Coefficient	Standard Error	Beta		_
Constant	21.499	3.674	5.851	0.000	_
Demographic characteristics $(X_{11})$	0.464	0.202	2.301	0.024	0.242
Characteristics for entrepreneur's success $(X_{13})$	0.575	0.164	3.515	0.001	0.337
Importance of investing in cooperatives as an important part of economy( $X_5$ )	0.558	0.495	3.146	0.002	0/29

<sup>\*\*</sup>P<0.01, \*P<0.05, R<sup>2</sup>= 68.0, R<sup>2</sup><sub>adj</sub>= 40.2, R= 71.1, Y=21.499+0.464 X<sub>11</sub>+0.575 X<sub>13</sub>+ 0.558 X<sub>5</sub>

#### Path Analysis

Path analysis is one of the multivariable techniques, which, in addition to evaluate the direct effects of independent variables on the dependent one, considers the indirect effects of these variables. This technique is based on a group of multiple regressions and the relationship between the independent variables and the dependent ones. This method emphasizes on the innovative use of a visual diagram namely the path diagram (Kalantari, 2011). Based on the results of regression, three variables of demographic characteristics, entrepreneur's success characteristics, and emphasize on the importance of investment in cooperatives as an important part of economy, interactively, have a maximum effect on the study's dependent variable( entrepreneurship development of agriculture production cooperatives) and, based on the rate of effect, each one was entered in an innovative visual diagram so that the direct effect of the independent variables on the dependent one as well as the indirect effects could be evaluated (table 7). After evaluations, path analysis diagram of this study was indicated as below:

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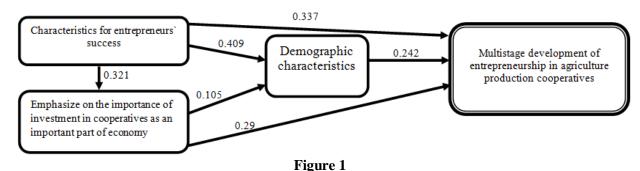


Table 7: Sum of direct and indirect effects of independent variables on the dependent one

Independent variables	Indirect effects	Direct effects	Sum of direct and indirect effects of each variable
Characteristics for entrepreneurs` success	0.20	0.337	0.537
Emphasize on the importance of investment in cooperatives as an important part of	0.025	0.29	0.315
economy			
Demographic characteristics		0.242	0.242

#### Discussion

This study was aimed at evaluating and identifying the guidelines of entrepreneurship development in agriculture production cooperatives in Qazvin province. Based on the findings of study, cooperatives with members studied in the agriculture field are more developed. In addition, governments' policies and ones taken in the cooperative sector, emphasize on the importance of investment in cooperatives as an important part of economy, entrepreneurial culture and insight as well as respecting the entrepreneurs, locations initiated for creating new businesses, society's professional insight toward entrepreneurship in order to have a professional and scientific entrepreneurship, entrepreneurs' personal, demographic, and psychological characteristics, characteristics of entrepreneurs` success, notifications entrepreneurship motivation, supporting the entrepreneurs, marketing, entrepreneurship, entrepreneurship development barriers and limitations are the main factors affecting the entrepreneurship development in agriculture production cooperatives. In multiple regression analysis, to identify factors affecting the guidelines of entrepreneurship development in agriculture production cooperatives, three variables of demographic characteristics, entrepreneur's success characteristics, and emphasize on the importance of investment in cooperatives as an important part of economy explained 46/2 % of the dependent variable's variance.

There was a positive and significant relationship between the entrepreneur's success characteristics and entrepreneurship development. This is supported by Maghsodi *et al.*, (2011), Qiyasvand (2009), and Abdollahi (2010).

There was a positive and significant relationship between emphasize on the importance of investment in cooperatives as an important part of economy and entrepreneurship development. This is confirmed by Jahanbani (2010), Feyz (2007), Qaderi (2006), Qiyasvand (2009), Swanson (2008), and Ortmann and King (2007).

There was a positive and significant relationship between demographic characteristics and entrepreneurship development. This is supported by Maghsodi *et al.*, (2011), Jahanbani (2010), Abdollahi (2010), Feyz (2007) and Qaderi (2006).

## **Suggestions and Recommendations**

Given that about 76% of the members are under 50 years old age with average of about 43 years old. Deep concern about cultural, different methods of entrepreneurship development in the cooperatives and

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effort to use specific educational- extensional methods to improve level of their awareness are recommended.

Since there is a positive and significant relationship between demographic characteristics and entrepreneurship development, organizational competency should facilitate the entrance of younger individuals who gave experiences related to entrepreneurial activities.

Experts and promoters of agriculture management and agricultural promotion and services centers should increase their activity in the villages and take an important and effective step by providing training and extensional services in order to improve the farmers and cooperative member's level of technical knowledge in the field of entrepreneurship development guidelines in agriculture production cooperatives. Necessary training and supportive should take to improve entrepreneurship situation along with the using of developmental principles and strategies are suggested. There was a positive and significant relationship between characteristics of entrepreneurs' success and entrepreneurship development, so, opportunities for interested and professional individuals with experience or related education should be provided. In addition, training courses should holding for individuals and informed them about their job importance and risk taking in their activity. Since, there was a positive and significant relationship between investment in cooperatives as an important part of economy and entrepreneurship development, in order to improve the entrepreneurship, taking economic support policies such as granted purchasing products, regulation of agriculture input market, payment of low-interest loans, and promotion of agriculture product insurance which improves the villagers and farmers economic situation should be taken to improve the conditions among production cooperatives members.

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