

A NEW EQUATION FOR SMART ORGANIZATION INNOVATION =Q-EUATION

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Abstract: *The paper want to establish the orientation of the entrepreneurs and identify the barriers for a future smart specialization on the market. The survey was applied on 208 respondents from Baia Mare city, Maramures County, Romania, a miner zone, with big potential in tourism, under UNESCO Heritage in continuous development and adaptation on the new market trends. The survey was structure in six parts to establish and identify the entrepreneur profile, to define the new re-evolution of needs and skills for a new type of entrepreneur= a zen-entrepreneur, a jump start to a new smart organization. The barriers identify by authors can be group in four clusters taking in consideration the personal barriers (age, gender, social status, etc.) the personal and organization needs to training or specialization in new fields, the innovation needs and not at last the organizational culture for management culture. The equation for a smart organization take in consideration the innovation as a new variable for the new q-equation.*

Keywords: *management change; zen-entrepreneur; innovation; quality equation; re-evolution.*

JEL classification: M11; M14 O14; O33.

1. Introduction

The paper is trying to identify the new orientation on the market and how entrepreneurs and managers are ready for a flexible management change or re-orientation of organization in a way of re-evolution by:

- Identifying new concepts of products and services;
- Anticipating customers' needs by analysing the market;
- Anticipating trends and competitors' successes;
- Encouraging new ideas and creativity among staff;
- Identifying the mechanisms and criteria used for selecting the ideas to be developed;
- Planning the creation of new product concepts.

What makes it difference from other organizations type and innovation? We are on the fifth so-called "innovation friendly" activity which is crucial in the field of organizations fields of action:

How can organizations become management innovators? The only solution is by innovation through technology. A new type of managers or entrepreneurs which is capable to decide on which technologies to develop, what kind of training his staff and employees need, creation of a new product generation.

A pioneer in that field it was Gary Hamel, (2006), which for the first time try to make the connection between the Why, What, and How of Management Innovation and Organizational culture.

The propose of the paper is to provide the answer to the **Why's** management innovation so important? Nowadays it is the key of success.

The Elements of Management Innovation after Gary Hamel (2006) in most companies are:

- management innovation is ad hoc and incremental;
- it is a systematic process for producing bold;
- management breakthroughs must include;

- commitment to a big management problem;
- novel principles that illuminate new approaches.

Because the new orientation of economy, the new generation of customers with a different culture need a new vision about the entire market, the authors consider that an research about the needs and vision of young entrepreneurs or managers on existing business from market can be helpful in the earlier identification of potential niche on re-orientation and re-design of the business can give some models or solutions in change management in their own business.

2. Method of research. Case study.

A survey was apply in Maramures County, in Baia Mare city and rural zone around on a sample of 208 respondents involved in small business or different business activities, between June –July 2016. The survey was structure in six parts to:

- Part 1. Identify the profile of entrepreneur age, gender, education;
- Part 2. Identify how rural or urban zone has impact upon the respondent mentality in the perspective of beginning of a business;
- Part 3. Identify the factors which stop the business;
- Part 4. Identify if they know their skills and abilities for future business;
- Part 5. Establish the needs;
- Part 6. Identify the opportunity to start a business,

Measures shared, beliefs, values and expectations of 208 respondents within a future organization and business and provide a relevant look at future ZEN-Entrepreneur:

- What behaviours;
- How motivated and satisfied they are to start a new business;
- How effectively they know their skills;
- Which are the needs to improve their business on market.

In conclusion an entrepreneur or manager of organization can have a culture inventory, can have several subcultures based on differences in training, occupations or individual goals. Starting from Kaizen method to improve management quality in organization from *kai* and *zen* change in a good way our research start with a model which can establish the barriers and challenges of organizational culture and entrepreneur/manager knowledge in management culture.

ZEN entrepreneur it is a new term introduce by John Murphy's (2013) a new entrepreneur a jump start into professional and personal life, a person which create a culture of innovation and fearlessness. In authors' opinion ZEN –Entrepreneur can be translate as good (zen) entrepreneur.

3. Results.

The majority of the respondents are the age between (18-38) age old a 66% percent from a total of 208 respondents and 23 % percent between (35-44) age old. If we analyze the connection between age and education we can observe that the active persons open an individual activity or a small business have graduate academic level.

If we make the correlation between age and the factors of perturbation in their orientation and needs, the results present that money are the biggest problem for 116 respondents, follow on the second place by information regarding the opportunities to start a business, and the information for 48 respondents Table 1.

Table 1. Correlation between Age and respondents needs

		What do you think you need to start your business?			Total
		money	time	information	
Age	18-38	97	15	26	138
	38-58	13	20	14	47
	58-78	6	9	8	23
Total		116	44	48	208

Source: Own results

Another factor analyze as a potential barrier who can influence the business and entrepreneur spirit it is the gender (Table 2) a percent of 43,3 % are male and 56,7% are women (Boca, Mukaj, 2015), in function of the gender typology the orientation in economic and business activities are specific oriented too.

Table 2: Gender- In which field do want to start your business?

		In which field do want to start your business?					Total
		industry	agriculture	commerce	services	IT	
Gender	male	19	16	29	23	3	90
	female	14	24	29	51	0	118
Total		33	40	58	74	3	208

Source: Own results

The correlation between the gender influence and economical activities of respondents motivate the selection of personal fields taking in consideration the skills and competences in function of specific characteristics for male 58% are oriented in industrial activities, agriculture and in equal percent with female in commerce activities.

The 69% of ladies are oriented in services fields using their communication skills, empathy and flexibility on market needs and utilities.

The correlation between age and business orientation present the specialization and qualification in time of respondents in direct implication the young generation 68 % it is involved in new activities, in small and medium business which gives them free spirit and flexible program, independence and the possibility to create and touch their dreams.

The Facebook generation it is involved in commerce and services activities under the influence of fast communication and market information (Table 3). The mature persons 34 % percent are oriented to traditional activities like agriculture and industry sectors. The retirees' person enjoy to work in agriculture and services and socialize with other persons.

Table 3: Age- In which field do want to start your business?

		In which field do want to start your business?					Total
		industry	agriculture	commerce	services	IT	
Age	18-38	26	9	45	55	3	138
	38-58	6	20	13	8	0	47
	58-78	1	11	0	11	0	23
Total		33	40	58	74	3	208

Source: Own results

The conclusion for our sample it is that the person with medium education it's interested and want to be involved in different economical activities or to start their own business, Fig.1.

The zen spirit influence the individual cultural mentality regarding the daily life living and encourage the participation of courses and trainings in their specific fields of activities.

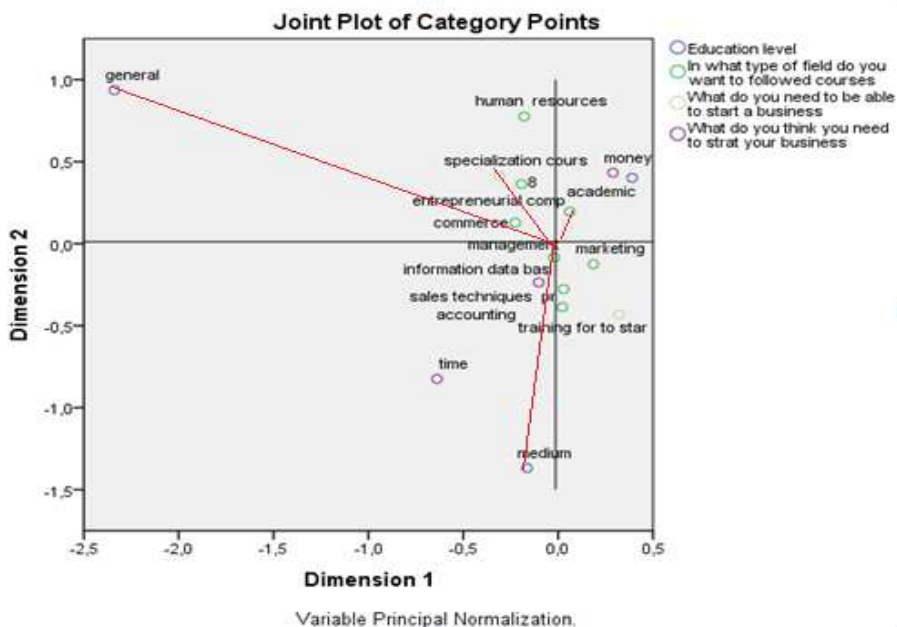


Figure 1. Correlation between education and entrepreneurial spirit
Source: Own results

The respondents in a 72,1 % percent recognize their skills, competencies and qualities as entrepreneurs and 27,9% percent know their missing knowledges and skills in entrepreneurship and they don't want to be involve or to open a business.

If on the first part of survey we obtain the individual profile of the future entrepreneur, on the second part we want to establish the individual needs for training or specialization in different fields of business.

The data confirm that an equal percent of 49% are oriented for training and 51% to courses or specialization courses in business.

The third part of survey present in fact the actual mirror of the orientation of respondents to the needs in different fields like in Table 4. 20,2 % percent wants courses to develop their entrepreneurial competences, 19,2% in business management, for market 14,4% percent and in developing sales technique 16, 3% percent.

Table 4: The specific courses for the new zen –entrepreneur

In what type of field do you want to followed courses?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	entrepreneurial competences	42	20,2	20,2	20,2
	management	40	19,2	19,2	39,4
	marketing	30	14,4	14,4	53,8
	accounting	18	8,7	8,7	62,5
	human resources	12	5,8	5,8	68,3
	sales techniques/ promotion	34	16,3	16,3	84,6
	commerce	11	5,3	5,3	89,9
	communication	21	10,1	10,1	99,5
	Total	208	100,0	100,0	

Source: Own results

A deep investigation was realized on the respondents' provenience from rural or urban life living style and the impact upon their orientation as manager or future entrepreneurs.

Their perception about the market and the benefits obtain from a business, the privileges and benefits from implication in different economical activities are in direct connection with the living residence.

68,8% percent from respondents belongs to urban zone and 31,2% percent to rural zone with direct implication in traditional activities specific with the zone of provenience.

An important information obtain from survey present the perception between rural and urban zone, an earlier signal which can be used for future vision to eliminate the difference between this two mentalities.

The final result presents that the peoples from

- **Rural zone** –are interested to develop abilities and skills in industrial activities to open small and medium enterprises: manufacture the milk, meat and wood, traditional handcraft, vegetables for the big market companies sustainably the Romanian state law. A politic which want to encourage the national consume and start a campaign Made in Romania, and sustaining the bio and eco production of small countryside peoples.
- **Urban zone** – in comparison with rural zone people are oriented to activities and small business on rural zone because of the facilities according to the projects and found which encourage this kind of activities. Another explanation can be the new trend of returning to country cite to a quiet and natural life, a childhood grandparents memories.

Table 5: Correlation between business field and personal motivation

In which field do want to start your business?			Are you interested to open a new business?		Total
			Yes	No	
industry	Social provenience	rural	18	1	19
		urban	12	2	14
	Total		30	3	33
agriculture	Social provenience	rural	2	3	5
		urban	18	17	35
	Total		20	20	40
commerce	Social provenience	rural	14	2	16
		urban	32	10	42
	Total		46	12	58
services	Social provenience	rural	16	7	23
		urban	39	12	51
	Total		55	19	74
IT	Social provenience	rural	2		2
		urban	1		1
	Total		3		3
Total	Social provenience	rural	52	13	65
		urban	102	41	143
	Total		154	54	208

Source: Own results

A normal percent it was according to market and sales information which are considered important for the future or existing young entrepreneur to be capable to sale his product on the market.

It is important to mention that from the 208 respondents, 25% percent recognise that they don't have any skills and competences to become entrepreneurs and 65% percent mention

that they are open to start or to improve their actual business but with help from experts or by following qualified courses...

Table 6. Correlation between needs and the opportunity to start a business

What do you think you need to start your business?			Are you interested to open a new business?		Total
			Yes	No	
money	Social provenience	rural	31	6	37
		urban	60	19	79
	Total		91	25	116
time	Social provenience	rural	9	4	13
		urban	15	16	31
	Total		24	20	44
information data	Social provenience	rural	12	3	15
		urban	27	6	33
	Total		39	9	48
Total	Social provenience	rural	52	13	65
		urban	102	41	143
	Total		154	54	208

Source: Own results

A barrier in their desire can be considered for both side of participants from rural and urban zone money 59%, followed by time 16% and information's 25% on the last position.

Table 7. Correlation between personal training and personal interest

Did you ever followed a professional training?			Are you interested to open a new business?		Total
			Yes	No	
accounting	Social provenience	urban		2	2
	Total			2	2
no interest	Social provenience	rural	45	9	54
		urban	83	24	107
	Total		128	33	161
entrepreneur	Social provenience	rural	3	2	5
	Total		3	2	5
mechanic	Social provenience	urban	0	5	5
	Total		0	5	5
services	Social provenience	rural	4	2	6
		urban	16	6	22
	Total		20	8	28
wood	Social provenience	urban	3	4	7
	Total		3	4	7
Total	Social provenience	rural	52	13	65
		urban	102	41	143
	Total		154	54	208

Source: Own results

4. A ZEN-entrepreneur Model to predict

Table 8. Zen entrepreneur cluster characteristics

Case	4 Clusters	
Age	1	Q1
Education level	1	Q4
Gender	2	Q2
In which field do you want to start your business	2	Q6
Social provenience	3	Q3
Do you think that you have entrepreneur qualities	3	Q8
What do you need to be able to start a business	3	Q10
Are you interested to open a new business	3	Q5
In what type of field do you want to followed courses	4	Q11
What do you think you need to start your business	4	Q7

Source: Own results

If the cluster 2= 80 respondents as internal environment (here including the age and gender) are important in orientation on market type of individual business, the cluster 5= 52 persons sustain that increasing cultural flexibility of each person is an important factor of influence a barrier for future activities.

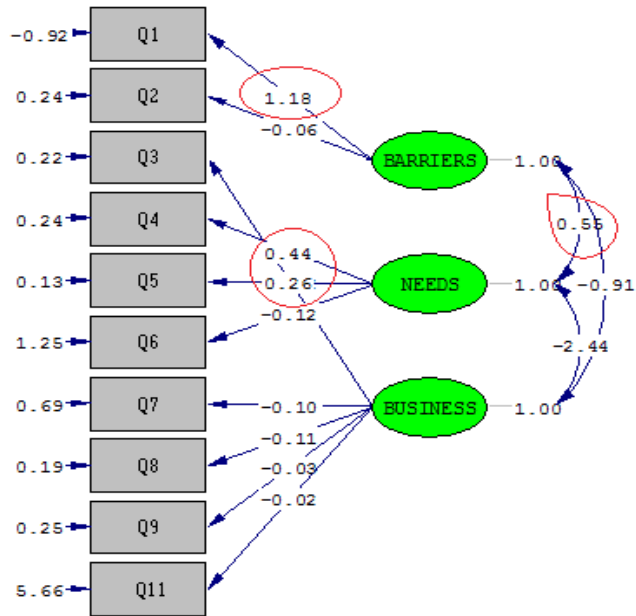
Number of Cases in each

	1	28,000
Cluster	2	80,000
	3	48,000
	4	52,000
Valid		208,000
Missing		,000

Source: Own results

Modelling the items as variables, from the model we verify the connections and relation between the selected variables

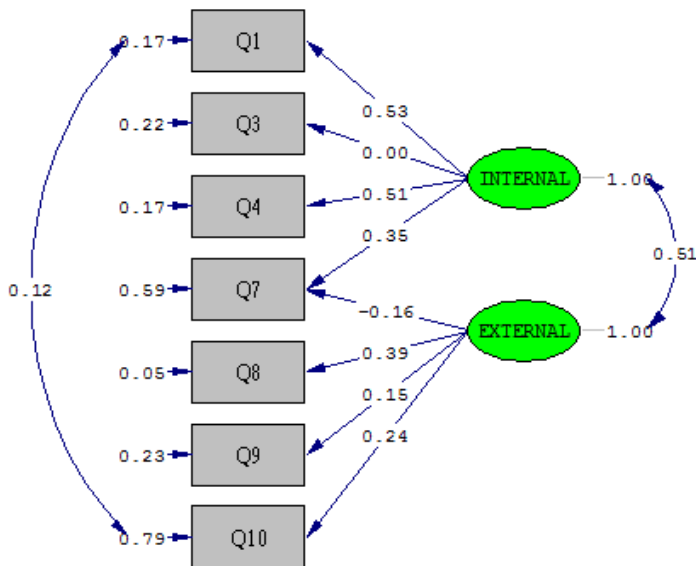
BARRIERS = Q1	1,18	strong connection with age
NEEDS = Q4	0,44	strong connection between education level and needs, an educated person assimilate in time information's
NEEDS = Q5	0,26	strong connection between needs and individual interest and cultural education
BARRIERS = NEEDS	0,56	strong connection age, gender, social provenience and needs



Chi-Square= 53,72, df=31, P-value=0.00004, RMSEA=0.080

Figure 2. A Barriers model for Zen –entrepreneur
Source: Own results

The model created verify the Cronbach's Alpha values of 0,546 so the results for the two variables internal and external environmental barriers are available for our research.



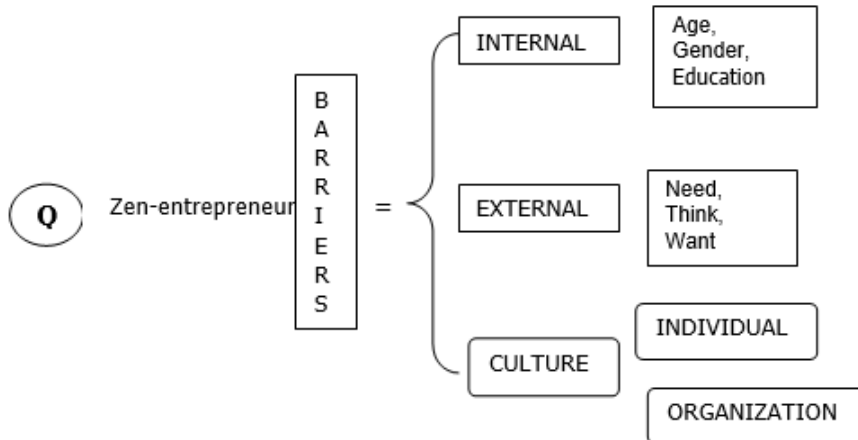
Chi-Square=16.87, df=11, P-value=0.11175, RMSEA=0.051

Figure 3. A model for zen-entrepreneur
Source: Own results

5. In conclusion

In conclusion the paper can be a guide to identify the needs and goals on actual market and make a vision for future.

A new type of organization a smart one with a new manager, entrepreneur a zen spirit flexible can be by applying a new equation a Quality equation



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