



# **Prioritizing effective factors on home-based businesses economical achievement in Iran**

*Shahram Abedi<sup>1</sup>, Azita Zand<sup>2</sup>*

*1-M.S in Rural Development, Department of Agriculture ,Islamshahr Branch, Islamic Azad University, Tehran, Iran,*

*2-Assistant Professor of Agricultural Extension & Education, Department of Agriculture, ,Islamshahr Branch, Islamic Azad University, Tehran, Iran*

## **Abstract**

Using creative ways, educational system, promoting economic, in all aspects, focusing on processes, expanding the strategic methods along with free business are improved gradually in such organizations and they are included within high performance organizations as a result. In this study, we try, by prioritizing effective factors on home-based businesses economical achievement, evaluate the role of those factors. The study is of applied type and the method being used is descriptive- correlation. Conducting the stage of theoretical studies and qualitative investigations by documentary method and the quantitative stage by fieldwork method , using a questionnaire According to the findings, a chronbach alpha coefficient of was found to be 0.71 in the home-based businesses economical section of the questionnaire, the population consists of clients supported by Imam Khomeini Relief Committee in Hamedan (n=322). Prioritizing of studied factors based on CV show that “interest level to created occupation” in performer individual properties and “applying experiences of experienced and practiced individuals”, in social-cultural factors was the first priority.

**Keywords:** home-based businesses, effective factors, economical achievement.

## **Introduction**

Today, competition essence in business world has been evolved and customers access to new products and services by different channel such as internet and world markets simply. Thus, after short time of initiating business, owner manager of home-based foundation found which for supplying his products not only he must compete by local competitors but also he must compete by other rival companies in all around world. On the other hand, increasing technology development may abolish the product such company as soon as possible (Edwards, 2006). It often is supposed which there is such business in poor and low developed countries, but statistics show that home-based business and self-employment has been included remarkable part of developed countries. One of the important challenge which a business may face it, is competing with available companies and newcomer in this

area (khenifer and et al, 2010). According to definition which Mason (Mason 2008, p.10) has been offered, home-based businesses is: “each business unit which operate in processes like services/products selling to market and it is managed by independent individual with or without some work forces. It must be noted that owner manager administer affair and work process from his habitat”. Close , increasing competition between different organization and communities and the developments made in recent years have occurred so much deeply, extensively and rapidly that there remains no opportunity to use traditional methods and legacy skills and indeed, it has faced the future of those organizations with new opportunities and threats. (Ranga&Etzkowitz, 2010)

Since today, those organizations are successful that could thrive in the competition – intensive world of today and are constantly using appropriate communication methods in their

organizations and innovation businesses economical achievement is the most important for development in the world .(Shahkahi, 2013).

Innovation methods does not necessarily mean to apply modern technologies; rather, through concentrating on thinking methods and finding innovative solutions it may lead to application of technology. Therefore, techniques of innovation management are classified as set of tools, techniques and methods assisting companies to be adapted with diverse conditions and over-come related challenges to the market by benefiting strategic methods (Tran et al, 2011).

Decreasing per capita income of practitioners in this sector towards their costs (Ebrahimi, 2010).

One of the important problems and challenges facing small business is accessibility to market. So, market development is vital for business stability. Marketing could be defined as necessary activity which products adapt to market demand. In other words, in marketing, deciding about four categories is very important: product, price, distribution location, promotions (Adel pour, 2012).

Today, home-based businesses are developing because factors such as development in services supply, simplicity of work forces relocation, technologic developments and globalization markets are growing (Dwelly et al, 2005). Owner manager of this businesses tends to administer his businesses individually or another person (Carter et al, 2008). Results of other studies show that women motivation for entrepreneurial is immaterial and they want to balance between their familial responsibilities and occupational responsibilities (Walker et al, 2009).

Main purpose: prioritizing effective factors on home-based businesses in Iran

Special purpose:

1-Prioritizing the performer individual properties on home-based businesses economical achievement in Hamedan province

2- Prioritizing the social-cultural factors on home-based businesses economical achievement in Hamedan province

3-Prioritizing the educational factors in home-based businesses economical achievement in Hamedan province

4-Prioritizing the economical factors in on home-based businesses economical achievement in Hamedan province

5-Prioritizing the sub structural-environmental factors on home-based businesses economical achievement in Hamedan province

## **Material and methods**

The present study is of applied type using descriptive methods. Conducting the stage of theoretical studies and qualitative investigations by documentary method and the quantitative stage by fieldwork method, using a questionnaire. According to the findings, a chronbach alpha coefficient of 0.71 was found. The population of the study was all clients supported by Imam Khomeini Relief Committee (RA) in Hamadan city. Furthermore, the sampling procedure used in this research study was satisfied random sampling (n=322).In this study, the independent variable, include: individual characteristics, social and cultural factors, economic factors, environmental factors and infrastructure, educational factors and the dependent variable economic success enforcement household jobs supported by the city committee Hamedan.

## **Results**

Studying individual properties of studied subsistents



**1-1age:**

According to findings, age average of practitioners is 37.25, the youngest individual is 18 years old and the oldest

individual is 61 years old. Table (1-1) shows that 30.4% clients are under 35 years old and 11.5% clients are over 50 years old.

**TABLE (1): FREQUENCY DISTRIBUTION BASED ON AGE GROUP**

| AGE GROUP          | FREQUENCY | FREQUENCY PERCENT | AGGREGATE PERCENT |
|--------------------|-----------|-------------------|-------------------|
| UNDER 30 YEARS OLD | 98        | 30.4              | 30.4              |
| 30-40              | 117       | 36.3              | 66.8              |
| 40-50              | 70        | 21.7              | 88.5              |
| OVER 50 YEARS OLD  | 37        | 11.5              | 100.0             |
| TOTAL              | 322       | 100.0             |                   |

Minimum: 18 maximum: 61 average: 37.75 standard deviation: 9.63

**2-1 gender:**

According to selected sample in this study 80.4 % clients are women and 19.6 % practitioners are men.

**3-1 number of family members:**

According to obtained findings of selected sample, average of family members are 2.90, the maximum of family members are 8 individuals and it shows that the maximum frequency related to families which have less than 3 individuals.

**4-1 marital situation:**

53.1% of practitioners are married and 46.9% of practitioners are bachelor.

**5-1 literacy situation:**

According to obtained data, 23.3% individuals have diploma and higher education and 59% of them are lower than diploma and 17.7% are illiterate.

**6-1 habitat:**

According to obtained data from table (2-1), 76.1% practitioners dwell in city and 23.9% of them dwell in village.

**7-1 prioritizing performer individual properties**

Prioritizing of studied factors based on change coefficient in table (3-1) show that “interest level to created occupation” factor with change coefficient (21.07) is in priority.

**8-1 prioritizing social-cultural factors**

Prioritizing of studied factors based on change coefficient in table (4-1) show that “applying experiences of experienced and practiced individuals” factor with change coefficient (6.8) is in priority

**TABLE (2): FREQUENCY DISTRIBUTION OF PRACTITIONERS BASED ON HABITAT**

| HABITAT | FREQUENCY | FREQUENCY PERCENT |
|---------|-----------|-------------------|
| CITY    | 254       | 76.1              |
| VILLAGE | 77        | 23.9              |
| TOTAL   | 322       | 100.0             |

**TABLE (3): PRIORITIZING PERFORMER INDIVIDUAL PROPERTIES**

| ITEM                                  | OPINION(PERCENT)                      |          |      |         |      |           | CHANGE COEFFICIENT | DEGREE |
|---------------------------------------|---------------------------------------|----------|------|---------|------|-----------|--------------------|--------|
|                                       | WITHOUT ANSWER                        | VERY LOW | LOW  | AVERAGE | HIGH | VERY HIGH |                    |        |
| TENDENCY TO RISK AND ADVENTUROUS      | 0.6                                   | 5.0      | 17.1 | 48.1    | 21.1 | 8.1       | 30.60              | 8      |
|                                       | AVERAGE=3.10 STANDARD DEVIATION=0.950 |          |      |         |      |           |                    |        |
| NEED TO BUSINESS DEVELOPMENT          | 0.6                                   | 0.9      | 5.0  | 25.5    | 41.3 | 26.7      | 23.00              | 3      |
|                                       | AVERAGE=3.88 STANDARD DEVIATION=0.894 |          |      |         |      |           |                    |        |
| INNOVATION AND CREATIVITY LEVEL       | 0.9                                   | 0.9      | 7.8  | 44.1    | 34.2 | 12.1      |                    |        |
|                                       | AVERAGE=3.49 STANDARD DEVIATION=0.843 |          |      |         |      |           |                    |        |
| TENDENCY TO INDEPENDENCE              | 0.6                                   | 0.9      | 6.2  | 23.6    | 42.2 | 26.4      | 23.43              | 4      |
|                                       | AVERAGE=3.88 STANDARD DEVIATION=0.908 |          |      |         |      |           |                    |        |
| ANTICIPATING INCOME AND COSTS ABILITY | 0.9                                   | 2.5      | 11.2 | 38.2    | 38.8 | 8.4       | 26.12              | 6      |
|                                       | AVERAGE=3.40 STANDARD DEVIATION=0.887 |          |      |         |      |           |                    |        |
| TENDENCY TO CREATED OCCUPATION LEVEL  | 0.6                                   | 0.3      | 4.7  | 20.5    | 46.6 | 27.3      | 21.07              | 1*     |
|                                       | AVERAGE=3.97 STANDARD DEVIATION=0.835 |          |      |         |      |           |                    |        |
| TRYING TO SOLVE PROBLEM               | 0.9                                   | 0.6      | 5.9  | 22.0    | 49.4 | 21.1      |                    |        |
|                                       | AVERAGE=3.85 STANDARD DEVIATION=0.843 |          |      |         |      |           |                    |        |
| FACING TO UNANTICIPATED ABILITY       | 0.6                                   | 3.4      | 9.9  | 45.0    | 31.7 | 9.3       | 27.13              | 7      |
|                                       | AVERAGE=3.34 STANDARD DEVIATION=0.905 |          |      |         |      |           |                    |        |

**TABLE (4): PRIORITIZING SOCIAL-CULTURAL FACTORS**

| ITEM  | OPINION(PERCENT)                      |          |      |         |      |           | CHANGE COEFFICIENT | DEGREE |
|---|---------------------------------------|----------|------|---------|------|-----------|--------------------|--------|
|   | WITHOUT ANSWER                        | VERY LOW | LOW  | AVERAGE | HIGH | VERY HIGH |                    |        |
| RELATIONSHIP TO OTHER PRACTITIONERS LEVEL                     | 0.9                                   | 0.6      | 7.8  | 53.1    | 27.0 | 10.6      | 8.4                | 2      |
|   | AVERAGE=3.39 STANDARD DEVIATION=0.805 |          |      |         |      |           |                    |        |
| APPLYING EXPERIENCES OF EXPERIENCED AND PRACTICED INDIVIDUALS | 0.9                                   | 2.2      | 8.7  | 32.0    | 41.3 | 14.9      | 6.8                | 1*     |
|   | AVERAGE=3.88 STANDARD DEVIATION=0.894 |          |      |         |      |           |                    |        |
| PRESENCE SUCCESSFUL INDIVIDUALS AS A PATTERN IN REGION        | 1.2                                   | 7.5      | 18.9 | 31.7    | 29.2 | 11.5      | 26.4               | 3      |
|   | AVERAGE=3.19 STANDARD DEVIATION=1.106 |          |      |         |      |           |                    |        |
| PRESENCE CULTURE OF WORK AND TRYING IN FAMILY                 | 0.9                                   | 4.0      | 10.6 | 28.9    | 44.1 | 11.5      | 28.6               | 5      |
|   | AVERAGE=3.49 STANDARD DEVIATION=0.971 |          |      |         |      |           |                    |        |
| PARTICIPATION OF FAMILY MEMBERS LEVEL                         | 1.2                                   | 9.6      | 10.2 | 31.4    | 30.4 | 17.1      | 28.3               | 4      |
|   | AVERAGE=3.36 STANDARD DEVIATION=1.171 |          |      |         |      |           |                    |        |
| FAMILY ENCOURAGEMENT LEVEL                                    | 0.6                                   | 0.3      | 4.7  | 20.5    | 46.6 | 27.3      | 21.07              | 1*     |
|   | AVERAGE=3.97 STANDARD DEVIATION=0.835 |          |      |         |      |           |                    |        |



**TABLE (5): EFFECTIVE ITEMS ON EDUCATIONAL FACTORS**

| ITEM  | OPINION(PERCENT)                      |          |      |         |      |           | CHANGE COEFFICIENT | DEGREE |
|---|---------------------------------------|----------|------|---------|------|-----------|--------------------|--------|
|   | WITHOUT ANSWER                        | VERY LOW | LOW  | AVERAGE | HIGH | VERY HIGH |                    |        |
| TECHNICAL SKILLS AND EXPERIENCE BEFORE PERFORMING PLAN              | 1.2                                   | 3.1      | 8.1  | 47.2    | 29.2 | 11.2      | 26.75              | 1*     |
|   | AVERAGE=3.38 STANDARD DEVIATION=0.903 |          |      |         |      |           |                    |        |
| RELATIONSHIP BETWEEN CREATED OCCUPATION AND TYPE AND LITERACY LEVEL | 1.2                                   | 19.6     | 21.4 | 35.7    | 17.1 | 5.0       | 42.40              | 4      |
|   | AVERAGE=3.88 STANDARD DEVIATION=0.894 |          |      |         |      |           |                    |        |
| GETTING TECHNICAL AND OCCUPATIONAL PERIODS BEFORE PERFORMING PLAN   | 1.2                                   | 11.8     | 18.6 | 29.8    | 26.4 | 12.1      | 38.65              | 2      |
|   | AVERAGE=3.08 STANDARD DEVIATION=1.192 |          |      |         |      |           |                    |        |
| PARTICIPATING IN SHORT TIME PROMOTING LEARNING PERIODS              | 1.2                                   | 14.0     | 15.8 | 29.8    | 28.6 | 10.6      | 39.28              | 3      |
|   | AVERAGE=3.06 STANDARD DEVIATION=1.202 |          |      |         |      |           |                    |        |
| PARTICIPATING IN SUPPLEMENT LEARNING TECHNICAL AND OCCUPATIONAL     | 1.2                                   | 20.5     | 12.7 | 23.6    | 28.3 | 13.7      | 26.12              | 6      |
|   | AVERAGE=3.02 STANDARD DEVIATION=1.343 |          |      |         |      |           |                    |        |

**TABLE(6): ITEMS AFFECTING ON ECONOMICAL FACTORS**

| ITEM   | OPINION(PERCENT)                      |          |      |         |      |           | CHANGE COEFFICIENT | DEGREE |
|--|---------------------------------------|----------|------|---------|------|-----------|--------------------|--------|
|  | WITHOUT ANSWER                        | VERY LOW | LOW  | AVERAGE | HIGH | VERY HIGH |                    |        |
| RAW MATERIALS PRICE IN REGION                              | 5.3                                   | 8.7      | 28.0 | 35.7    | 22.4 |           | 30.06              | 5      |
|  | AVERAGE=3.61 STANDARD DEVIATION=1.086 |          |      |         |      |           |                    |        |
| PRODUCED PRODUCT PRICE IN REGION                           | 0.9                                   | 4.7      | 29.8 | 40.4    | 24.2 |           | 23.13              | 1*     |
|  | AVERAGE=3.88 STANDARD DEVIATION=0.894 |          |      |         |      |           |                    |        |
| MARKETING AND SELLING OF PRODUCED PRODUCTS IN REGION       | 2.8                                   | 9.9      | 31.7 | 25.5    | 30.1 |           | 2                  | 3      |
|  | AVERAGE=3.70 STANDARD DEVIATION=1.087 |          |      |         |      |           |                    |        |
| METHOD AND ACCESSIBILITY TO FINANCIAL RESOURCES            | 3.4                                   | 8.4      | 35.7 | 28.6    | 23.9 |           | 28.93              | 2      |
|  | AVERAGE=3.61 STANDARD DEVIATION=1.045 |          |      |         |      |           |                    |        |
| COSTS RELATED TO PERFORMED PLAN LOCATION (HABITAT)         | 8.1                                   | 12.7     | 36.3 | 26.7    | 16.1 |           | 34.23              | 6      |
|  | AVERAGE=3.30 STANDARD DEVIATION=1.130 |          |      |         |      |           |                    |        |
| EFFECT OF ECONOMICAL FACTORS LIKE INFLATION, STAGNATION... | 4.0                                   | 8.7      | 35.1 | 29.8    | 22.4 |           | 29.46              | 4      |
|  | AVERAGE=3.58 STANDARD DEVIATION=1.054 |          |      |         |      |           |                    |        |

### 9-1 prioritizing educational factors

Prioritizing of studied factors based on change coefficient in table (5-1) show that “technical skills and experience before performing plan” factor with change coefficient (26.75) is in priority.

### 10-1 prioritizing economical factors

Prioritizing of studied factors based on change coefficient in table (6-1) show that “produced products price in region” factor with change coefficient (23.13) is in priority.

### 11-1 prioritizing substructural-environmental factors

Prioritizing of studied factors based on change coefficient in table (7-1) show that “befitting region climate for activity” factor with change coefficient (24.76) is in priority.

### Conclusion

the most studied individuals have age average 37.25 which the oldest and the youngest of them have 61 and 18 years old respectively. The most frequency is related to age degree 30-40, which 80.4 percent of plans performer are women and 19.6 percent of them are men. Results obtained of the study about prioritizing social-cultural factors on home-based businesses achievement , prioritizing educational factors , prioritizing economical factors .

TABLE(7): ITEMS AFFECTING ON ENVIRONMENTAL AND SUBSTRUCTURAL FACTORAS

| ITEM   | OPINION(PERCENT)                      |          |      |         |      |           | CHANGE COEFFICIENT | DEGREE |
|--|---------------------------------------|----------|------|---------|------|-----------|--------------------|--------|
|  | WITHOUT ANSWER                        | VERY LOW | LOW  | AVERAGE | HIGH | VERY HIGH |                    |        |
| BEFITTING REGION CLIMATE FOR ACTIVITY                      | 0.3                                   | 1.9      | 7.1  | 40.1    | 37.9 | 12.7      | 24.76              | 1*     |
|  | AVERAGE=3.53 STANDARD DEVIATION=0.873 |          |      |         |      |           |                    |        |
| THE SITUATION OF PERFORMING PLAN LOCATION                  | 0.3                                   | 2.2      | 8.7  | 37.9    | 33.2 | 17.7      | 26.81              | 2      |
|  | AVERAGE=3.88 STANDARD DEVIATION=0.894 |          |      |         |      |           |                    |        |
| ACCESSIBILITY TO RAW MATERIALS MARKETS AND PRODUCT SELLING | 0.3                                   | 2.5      | 10.9 | 38.2    | 31.4 | 16.8      | 28.01              | 4      |
|  | AVERAGE=3.49 STANDARD DEVIATION=0.978 |          |      |         |      |           |                    |        |
| APPROACH TO COMMUNICATIONAL WAYS                           | 0.3                                   | 1.6      | 9.6  | 34.2    | 31.4 | 23.0      | 27.12              | 3      |
|  | AVERAGE=3.65 STANDARD DEVIATION=0.989 |          |      |         |      |           |                    |        |
| ACCESSIBILITY TO FACILITIES AS WATER, ELECTRICITY AND GAS  | 0.3                                   | 1.9      | 15.5 | 27.0    | 31.1 | 24.2      | 29.78              | 5      |
|  | AVERAGE=3.60 STANDARD DEVIATION=1.073 |          |      |         |      |           |                    |        |
| ACCESSIBILITY TO COMMUNICATIONAL MEDIA                     | 0.3                                   | 4.7      | 27.6 | 21.7    | 22.4 | 23.3      | 37.18              | 6      |



Prioritizing of studied performer individual properties show that “interest level to created occupation” factor with change coefficient (21.07) is in priority. Prioritizing of studied social-cultural factors show that “applying experiences of experienced and practiced individuals” factor with change coefficient (6.8) is in priority. Prioritizing of studied educational factor show that “technical skills and experience before performing plan” factor with change coefficient (26.75) is in priority. Prioritizing of economical factor show that “produced products price in region” factor with change coefficient (23.13) is in priority. Prioritizing of studied environmental factors show that “befitting region climate for activity” factor with change coefficient (24.76) is in priority.

### **Suggestions**

1-Promoting home-based businesses among educated individuals.

Because the most of alumnus unemployed, participating in performing home-based businesses could decrease unemployment rate.

2-Attending to hold technical and occupational learning periods for home-based businesses applicants.

3-Learning skills and increasing practical knowledge through holding technical and occupational learning periods for home-based businesses applicants.

4-Holding promoting short time learning periods for practitioners.

5-Identifying such businesses performers with recent performed businesses findings.

6-Feasibility investment on producing products according to costs

7-Attending to region climate before investment in home-based businesses field.

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