

Investigating the role of government dimensions supporting small and medium business entrepreneurs

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Abstract

Today the economical terms of establishment and setting up small and medium businesses are considered as a strategic approach in many countries especially in developing ones and the necessity to change the government role, empowerment of the private sector, economics competitiveness and interactions with globalization rules and etc necessitate the privacies based on economics release and private sector reinforcement to develop the economical activities. Therefore, this study is done with the aim of explaining and identifying the government indicators supporting entrepreneurs in small and medium businesses. The statistical society of this study includes all the managers, experts in relation with entrepreneurship area in the organization of Industry, Mine and Trade and entrepreneurs of small and medium economical firms in Gorgan. In order to investigate the effect of government supporting dimensions on the entrepreneurial activities in small and medium economical firms we used the method of path analysis and the Lisrel software. The results gained from path analysis suggest that Five Supporting Dimensions of government (institutional, socio-cultural, political, economical and educational factors) have a meaningful effect on entrepreneurial activities in small and medium economical firm sectors.

Keywords: entrepreneur, economical firms, risk taking, government support.

1. Introduction

During the recent decades creating and supporting the small and medium firms is one of the important pillars in the economical development of countries. The structural components in these firms have introduced them as the main source of entrepreneurship and innovation in production, creation of new job opportunities and evolution in countries' exporting. Small and medium firms are the limited institutions that provide economical development through accumulation of small funds, entrepreneurship and connection with industry. These firms also play a significant role in economical growth, employment, wealth production and poverty decrease in countries.

Actually, these units due to the small and simple organizational structure have a high flexibility against the changes, acceptable speed in performing the activities, the ability to compete in external environment of firms and also high ability and capability to improve the performance and obtain their planned objectives using the available sources (Wilkinson, 2006). Therefore, small and medium firms having a distinct and unique combination of human source and social supporting benefits and educational- cultural fields are considered as a strong factor supporting the entrepreneurship flow.

We can investigate the most important application of these firms in economics to explain the importance of small and medium firms in economics. The most important components that should be paid attention include: the small and medium firm role in employment; in the conduction of unofficial part into the productive sector of the economy; in entrepreneurship and creation of new ideas in production; in increasing the good competitiveness in global market and accumulation of small savings. Therefore, this type of firms have always been the center of attention of government and economical decision makers.

A look on the place and applications of small and medium firms show that they play a role in economical growth of countries as a stimulator engine and during the recent years due to the governments perception of the role and place of small and medium firms, their application in countries 'economy has been highlighted. Therefore, the current study is done with the aim of investigating the role of government supporting the entrepreneurs in small and medium economical firms.

2. Entrepreneurship in small and medium enterprises

Entrepreneurship is the creation of a new business that is associated with risk and uncertainty. Entrepreneurship is the creation of wealth, the creation of business, the creation of innovation, Creation of change, creation of work, creation of value and creation of growth (Albino, 34: 2004). This process involves searching for and pursuing opportunities and maximizing the value of it. Entrepreneurship is the group's willingness to work, risk, create, direct, execute, follow up innovation in order to maximize the value of the opportunity, regardless of the limits of models, structure or resources (Akbarzadeh, 1993: 991).

In fact, entrepreneurship is a symbol of business success and success, and entrepreneurs play an essential role in the economic development of societies. They are still in terms of leadership,

management, innovation, Research and development efficiency, job creation, competition, productivity, and the formation of new industries have an important contribution to economic growth. Entrepreneurship development is a complex, long-term and inclusive process that, of course, plays a significant role in the economic development of countries, so that entrepreneurship today has become the most strategic and most important economic tool of advanced societies. In fact, the economic growth and development of countries are due to entrepreneurs and entrepreneurial activities. Hence, the development of entrepreneurship is necessary for achieving economic development of the countries (Ahmadamini, 67: 2010).

The Global Entrepreneurship Watch introduces the factors and conditions that affect the development of entrepreneurship, which helps create new businesses: national support, government policies, government programs, education and training, research and development transfer, Commercial and professional infrastructure, market openness (or barriers to entry), access to physical infrastructure, cultural and social norms (Arban, 54: 2010).

The importance of entrepreneurship for statesmen is due to its role in wealth creation, technology development and productive employment. In the developed countries, the small economic activity that has developed and developed in these countries Have been able to take the major part of technology day and thus have a large share of wealth and income (Zubiri, 78: 2017). Small and medium enterprises, on the other hand, are one of the vital components of growth in the global economy and are well known for their importance in developing economies in developed and developing countries.

These firms employ an average of more than half the workforce in the economy and provide half of the total number of new jobs. These business units have plenty of flexibility and are more responsive to changing environmental fluctuations. Therefore, supporting small and medium-sized enterprises in order to increase growth, generate income and create jobs is one of the most important economic

priorities that has been adopted in most developed countries; Because small and medium-sized enterprises with less investment and higher returns are working to develop sustainable employment and improve economic conditions, the government should provide the ground that these firms, along with large industrial enterprises, Play an effective role in economic growth and employment. So, given that fast-moving economic firms can act as one of the engines of economic movement, Therefore, the government should provide the groundwork for these companies to play an effective role in economic growth and employment, along with large industrial enterprises.

So, given that fast-moving economic firms can act as one of the engines of economic movement, On the other hand, in a situation where the decline in investment in the country's economy, on the one hand, is low productivity and the tendency to adjust the human resources to state and state-owned organizations on the other, and the addition of newcomers to the field of work to the latter, Unemployment has become a major economic and social problem of this time. Development and promotion of entrepreneurship is one of the serious needs of Iran's economy and is a means of remedying the problem of unemployment (stele, 109: 2007). Comparative comparisons of entrepreneurship development policy in different countries show that the business environment affects the formation of entrepreneurial activities of productivity. The business environment is a collection of laws that affect the cost of companies, factors such as the cost of licenses, Formalities, taxes, labor costs, etc. (Deileem Salehi, 2010, 45).

In fact, the business environment includes the economic infrastructure, the health of the administrative system, Social security, the stability of economic policies, laws and regulations, the quality of the judiciary, etc., have a direct impact on the performance of companies, but their change is beyond the power and authority of corporate and business executives (Midri, 45: 2018).

In the Competitiveness Report of the World Economic Forum (2012), the factors affecting the entrepreneurial business environment were classified into three main dimensions and 12 pillars:

1. Basic factors: Includes institutions, infrastructure, stability of macroeconomic indicators, health and primary education;
2. Enabling factors: Includes university education and staff training, product market efficiency, labor market efficiency, financial market development, technological readiness, market size;
3. Innovation factors include the advancement of business and innovation (World Economic Forum, 2010).

Roland and Porter (2000) also link the success of business with three major macroeconomic and political subdivisions, the business environment, and how strategies and operations of firms are. UN Industrial Development Organization (2008), It also acknowledges that entrepreneurial motivations and activities are affected by cultural, institutional, government, business environments, and macroeconomic conditions. Therefore, small and medium enterprises are one of the most suitable options for generating productive employment, taking advantage of new business opportunities, and facilitating the use of creativity, innovation and entrepreneurship in business delivery.

2-1. The need for government support from entrepreneurs of small and medium enterprises

Entrepreneurship development in the disabled society is a variety of factors, and entrepreneurship development cannot consider the whole process, but its origin in individual activities carried out during this process. Entrepreneurship starts practically starting up a business (Dyke, 34: 2000).

Therefore, the difficulty or ease of launching a business is one of the factors affecting entrepreneurship development. In fact, although entrepreneurial activities originate from the individual level and are created by individual attitudes or motivations and individual

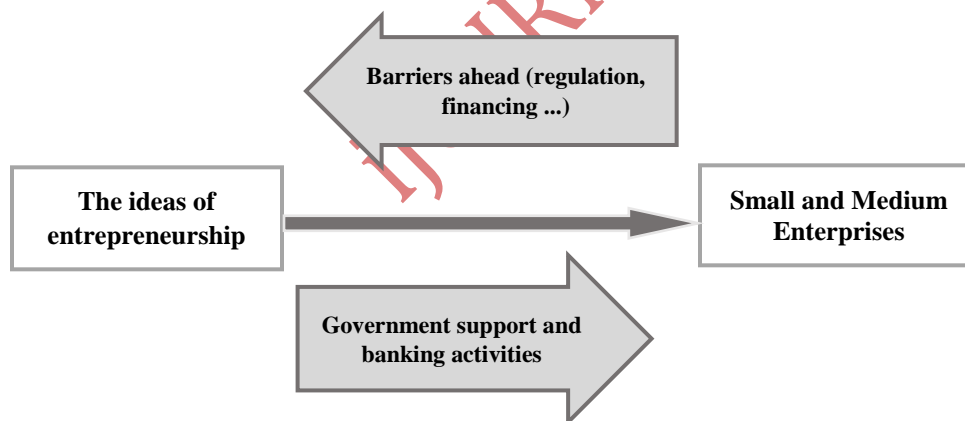
psychological skills and characteristics, But it can be done by developing and implementing entrepreneurial development policies aimed at increasing the number of entrepreneurs and setting up small businesses.

Policy-making on entrepreneurship development involves the formulation, implementation and evaluation of these policies in the form of a policy framework. These policies are aimed at encouraging entrepreneurship and are considered entrepreneurial in the pre-start, start-up and post-start processes. And affect motivation, opportunities and skills. In fact, the importance of government policies in the realization or failure of the entrepreneurial activity of enterprises is like a double-edged sword, which, if applied correctly, Facilitates the conditions of activity and competition of enterprises and as a result of the country's economic growth and development and, if used improperly, is an obstacle to economic activists (Gartner, 41: 2003).

However, if entrepreneurship is considered as a process, small and medium sized enterprises are the means of executing it in different sectors of the economy, which will support the growth of entrepreneurship; Because the ideas of entrepreneurship and knowledge based on small and medium enterprises grow and grow.

For this reason, there is a significant relationship between the growth of small and medium enterprises and the development of entrepreneurship. In other words, if entrepreneurship is considered as a process, small and medium enterprises are the means of its implementation in different sectors of the economy, which will support the growth of entrepreneurship. Figure 1 shows the relationship between entrepreneurship and small and medium enterprises (Aghili, 11: 2012).

Figure 1. The Relationship between Entrepreneurship and Small and Medium Enterprises



So far, several studies have been conducted to examine the role of government support for entrepreneurship and the importance of small and medium enterprises in economic development, the results of which are summarized in Table 1.

In describing some of the major measures of entrepreneurship development undertaken by governments, such as culturalization and promotion

of the entrepreneurial spirit; structural and institutional reform; Identify sustainable entrepreneurial opportunities in different socio-economic sectors and support services in this regard; Reduce business start-up constraints; Increase access of entrepreneurs to resources, especially financial resources; Identify successful entrepreneurship patterns for society; Support for newly established businesses; Development of service networks in areas such as: education

management knowledge and technical skills; the choice of information technology and the development of legal, marketing, management and technical consulting centers (Ahmadamini, 19: 2010).

In a general category, the policies and practices of governments in the development of entrepreneurship are grouped into two groups:

policies for eliminating and reducing entrepreneurial constraints and barriers; and policies for encouraging and encouraging entrepreneurship. In general, the issues that governments interfere with the development of entrepreneurship include developing entrepreneurial capabilities, creating supportive structures and creating backgrounds.

Table 1. Research background

findings	research fellow	Row
By examining the role of government policies on entrepreneurship development, the government's policies on entrepreneurship development and business performance improvement were acknowledged.	Ubaji and Elogio (2014)	1
The government must adopt its policies by taking into account the two factors of increasing the profitability of entrepreneurial firms and reducing their losses.	Lee (2013)	2
Governments should increase the success rate of entrepreneurship by providing advisory and information services, providing financial support and building knowledge bases. Because the creation of small and medium-sized enterprises will facilitate economic growth and increase employment.	Tay Sao and Cao (2011)	3
Malaysia's small and medium-sized enterprises face social barriers that have failed to identify and seize business opportunities.	alam (2011)	4
Government policy to promote entrepreneurship should reduce uncertainty and exchange costs. In addition, the nature of the opportunity or individual characteristics can be An important factor in accelerating or delaying the exploitation of entrepreneurial opportunities	Rodrik (2009)	5
In Turkey, he investigated 17 success factors for entrepreneurs and introduced the tax structure as a major problem for entrepreneurs.	Benzizing et al (2009)	6
Argued that the main barriers to entrepreneurship development in small and medium enterprises lack access to credibility and failure to achieve formal business and social networks.	Theo chong (2008)	7
One of the factors behind the growth of small institutions is government support.	Lim (2007)	8
Using the role of clusters, the impact of entrepreneurship on development has been assessed, and there is a positive relationship between entrepreneurship and economic growth, and entrepreneurship plays an important role in structural changes in the economy.	Rocha (2004)	9
The most important government policies for entrepreneurship are: the development of relevant laws and regulations, tax policies, Simplifying administrative procedures, financial support and lending, promoting entrepreneurship education, informing and consulting entrepreneurs and building the necessary infrastructure.	Landstrom (2001)	10
Government policies can influence the process of exploiting entrepreneurial opportunities in a variety of areas, such as economic, social, political, cultural, social, or educational.	Fattahi and colleague (1395)	11
Enhancing the business environment for entrepreneurship development, as well as the development of entrepreneurship will ultimately lead to an increase in the number of companies, increased wealth and employment development.	Arbitrator (1391)	12

2-2. Small and Medium Enterprises in Iran

In spite of the legal emphasis of the fourth and fifth development plans of the Islamic Republic of Iran on the growth and expansion of small and medium enterprises, for various reasons, the situation of small and medium enterprises in the country seems unfavorable. The evaluation of the above criteria regarding the situation of small and medium enterprises in the country shows that, taking into account the measures taken, the policies implemented to reduce barriers to small and medium enterprises have not been effective on the business environment of these firms (Emadzadeh, 85: 2006). The three main reasons why the situation of small and medium enterprises can be considered unfavorable are:

1. Strong Governmental Role in the Production Section: The Government's maximum presence in all economic sectors of the country can be considered as one of the most important reasons for the lack of growth and growth of small and medium-sized enterprises. The entry of institutions, organizations and state-owned enterprises as firms with the aim of acquiring profits and strong financial backing weaken the competitiveness of private-sector firms in the market and in most cases leads to the failure and withdrawal of these firms from the market.
2. Non-development of financial markets: One of the most important reasons for the unfavorable situation of small and medium-sized enterprises in the country is the lack of suitable tools and funds for these firms.
3. The lack of a cycle of support for small and medium enterprises: Given that in most countries of the world there is a clear and transparent mechanism for the growth and initial maturity of small enterprises, one of the areas that has led to the lack of prosperity of these firms in the country is the lack of a mechanism and support cycle for micro and small enterprises in the early years of operation (Islamic Consultative Assembly, 1394). Removing these barriers depends on both the

elements of government policies and policies, and the performance of small firms. This paper examines the importance of government support for entrepreneurs in the small and medium-sized enterprises sector.

3. Conceptual model and research hypotheses

Formulating our conceptual framework or model helps us to examine and test certain relationships to improve our understanding of the dynamics of the situation (Zalieh, 74: 2010).

In general, the elements that affect the development of entrepreneurship can be analyzed from several dimensions and the central role of the government in the formulation and implementation of development policies and programs in Iran And the necessity of rapid growth and coinciding with the changing technological changes and its application to the important issue of entrepreneurship development is very important (Fallah Haghighi 44: 2017).

The factors affecting the development of entrepreneurship are very diverse and varied. One of these factors is related to the economic, political and socio-cultural conditions of the society that have an internal relationship with each other and there is no doubt A spark in the mind of an individual in the direction of entrepreneurship is the result of the interaction between the personality traits and personality traits of a person with the cultural, economic and political conditions of the society. The culture of a community and its cultural beliefs and values also have a significant impact on the acceptability of entrepreneurship and the effectiveness of entrepreneurship development programs (Gartner, 2003); Because in a society with a more positive attitude towards entrepreneurship, the probability of developing entrepreneurial behaviors in its people is higher (Wohr, 56: 2002). In fact, much of the culture of entrepreneurship in today's societies is influenced by the institutionalization of the culture of science in society. Entrepreneurship culture is possible in

an environment where the dominant norms of the environment strengthen the values and beliefs of the culture of work and science.

Entrepreneurship requires the discovery of a social need that relates to the cultural, social, and economic context of the community. Meanwhile, the government has a very important role to play in creating entrepreneurship, as the greatest obstacle to entrepreneurs is always cultural issues, and the government can change the country's cultural value. In addition, the economic and political conditions of the community and the development of existing infrastructure, Has a significant impact on the growth and development of entrepreneurship in different sectors of society. One of the most important economic factors which is very influential in the production and growth of entrepreneurship in enterprises. The amount of access to capital, macroeconomic indicators, and the status of employment and unemployment can be mentioned. The political environment as one of the dimensions of the institutional framework of society plays a decisive role in the economic performance of societies. Political stability reduces risk, reduces uncertainty, increases confidence. The development of communication and interactions between enterprises and various social groups, the creation of efficient institutions, increasing the security of the physical and mental assets of individuals, and as a result the first foundation and base for the activities of the Muldov are innovations that, instead of moving in the normal course of flow, economic mutations On the other hand, political instability has a negative effect on the predictability of the political environment, the rate of investment, the duration of policy making and the durability of public policies. Also, political instability leads to a shift in power structures with wealth transfer opportunities. In addition, the unstable government cannot fulfill its policy commitments on increasing savings.

And thus impairs the performance of financial markets and disrupts the allocation of resources to entrepreneurs. As a result, political risk reduces the

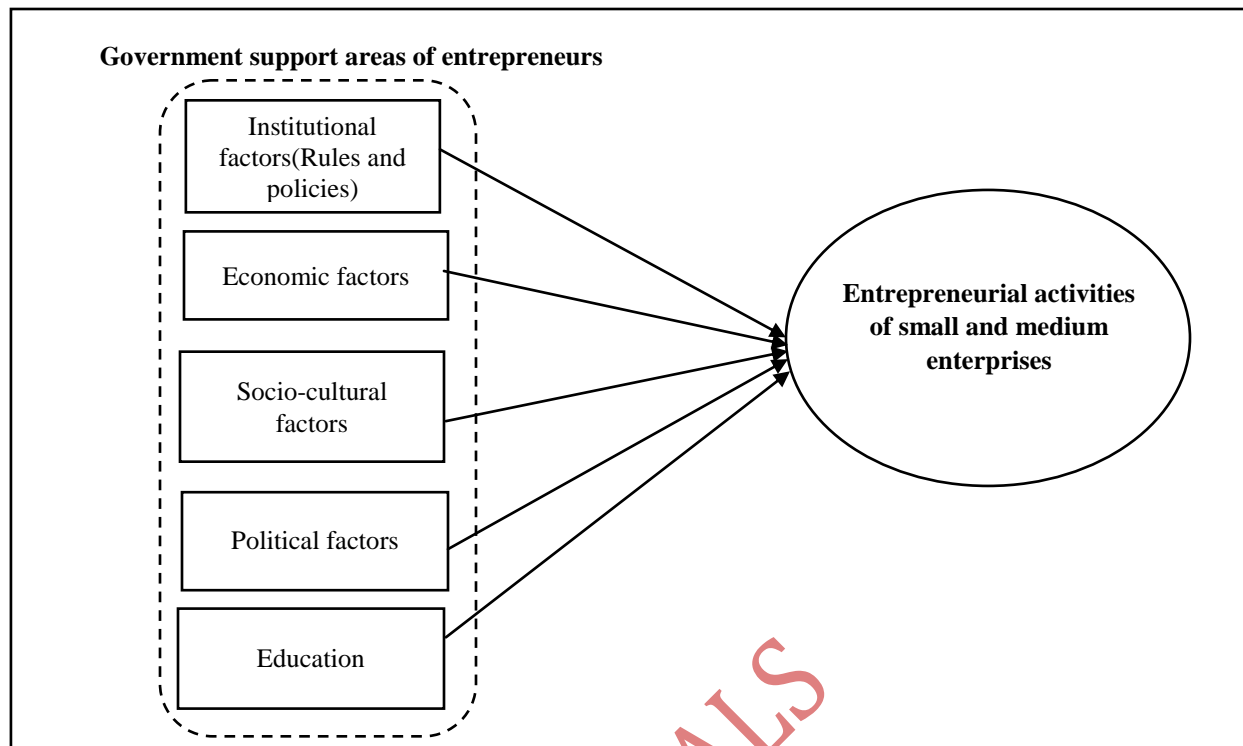
capacity and security of investors in that country. All of this leads to a reduction in entrepreneurial activities in society (Zubiri, 93: 2017). One of the most important political factors is government support, political stability in the economic sector, support for planning organizations and related to entrepreneurship and small industries.

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Research has also shown that entrepreneurship is an educational, rehabilitable and educable activity. Today's evidence shows Entrepreneurship can be cultivated as a result of educational programs. The management science theorists who examine the technical dimension of entrepreneurship believe that entrepreneurs can be in the classroom, Learn and grow up. Entrepreneurship education is the most important effort to provide the necessary platform for the acquisition of the necessary knowledge and skills for those interested in students.

Higher education should be able to provide the appropriate training programs that are effective in developing characteristics such as independence, risk appetite, creativity, self-esteem and future outlook. Instead of looking for work, they themselves work as others to create as a productive force in addition to creating a business. Another factor is the institutional factor. These factors are formally formulated and include economic and political laws (yoni, 2010).

The institutional framework affects economic performance and, consequently, the behavior of entrepreneurs (neke 45: 2009). Therefore, in the present study, based on theoretical foundations, the following conceptual model is suggested:



4. Research hypotheses

1. The institutional factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
2. Socio-cultural factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
3. Political factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
4. Economic factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
5. Educational factors have a significant effect on the entrepreneurial activities of small and medium enterprises.

5. Research method

This research is applied in terms of nature, descriptive-survey, and in terms of purpose. For studying the literature and studying the history of research, the library method has been used. The data gathering tool was a questionnaire. After

reviewing the theoretical background of the research and review of the studies carried out in this field, a questionnaire was developed.

The statistical population of this research includes all managers, entrepreneurship experts in the industry, mining and trade organization, and entrepreneurs of small and medium enterprises Focusing on small and medium-sized manufacturing and services located in the industrial towns of Gorgan, Golestan province. Therefore, the following formula was used with regard to the uncertainty of the population size and the variance of the prototype:

$$n = \left(\frac{Z_{\alpha} * \sigma}{\varepsilon} \right)^2$$

$$\sigma = \frac{\max(x_i) - \min(x_i)}{6} = 0.66$$

In calculating the maximum magnitude of the standard deviation, the maximum and minimum values are used, considering that the 5-degree

Likert scale is used in the questionnaire, the largest value is equal to 5 and the smallest value is 1. Therefore, at a confidence level of 0.95, the accuracy of the estimation ($\epsilon = 0.01$) and the value of the variance $Z_{\alpha/2}$ equal to 1/96, the sample size was determined to be 171 people. In this study, factor analysis was used to measure the validity of the questionnaire. The validity of the content of the research tool has been confirmed by academic experts and professors. Also, KMO and Bartlett tests were used to confirm the linear correlation between variables and confirm the validity. In this study, the calculated value for KMO is equal to

761/0. Given that the appropriate value for this test is close to one, it can be said that the analysis of the indices is desirable to the factors. Also, Bartlett's test with a significant level of less than 0.05, low residual values, and high sharehoods indicate the adequacy of data and fit the proposed proposed model of research. Cronbach's alpha coefficient test was used to assess the reliability of the research, which was calculated to be 834/0, so the questionnaire has a good reliability. Also, to test the hypotheses of the research, path analysis and LISREL software have been used.

Table 2. Variables studied in the research

Indicator Measurement	Variable
Procedural stability in existing laws and regulations and policies	Institutional factors
The necessary laws and regulations for business development (intellectual property, commercial law, etc.)	
Establishing Tax Exemptions, Customs and Insurance	
Facilitate the processes of establishment and dissolution of the company	
Promote supporting culture and stimulate innovation in society and authorities towards entrepreneurship and start-ups.	Socio-cultural factors
Promotion of risk-taking culture and self-employment in individuals	
Providing entrepreneurship education such as self-employment training, media education	
Conducting festivals, conferences and prizes for entrepreneurship and quality	
Creating Entrepreneurship Competitions	
Supporting government-owned cooperatives and corporations	
Policies and programs related to culture-building, such as creating an entrepreneurial culture at the national level ...	Political factors
Government policies to reduce tax rates from entrepreneurs of small and medium enterprises	
Government policies to reduce barriers to entry (to facilitate the entry of new businesses)	
Political stability in the economy	
Government policies for foreign direct investment	
Government policies to open foreign markets and facilitate exports	Economic and financial factors
Providing tax incentives, etc., to small and medium-sized enterprises	
The volume and amount of concessional loans, interest rates and loan facility guarantees to small and medium enterprises.	
Credit Guarantee Program for New Business Companies	
The volume and amount of concessional loans, interest rates and loan facility guarantees to small and medium enterprises.	Education
Appropriate educational programs and content in educational centers (vocational centers and other schools) and colleges	
Practical training at universities and training centers (internship)	
The relationship between universities and educational centers with the business environment	

Government policies to open foreign markets and facilitate exports	
Creating information networks for producers to know about the right materials, exhibitions and new technologies	
Provision of knowledge resources and capacity building for access to appropriate technology	
Provide extracurricular training related to job skills	
Training entrepreneurship and self-employment practices in educational and academic centers.	

6. Findings of the research

6-1. The general fit of the model

In this research, Structural Equation Modeling and Lisrel software have been used to analyze the data. This method is used in studies whose purpose is to test a specific model of the relationship between variables, Hence, this method requires the modeling to be in the form of a causal diagram. Also, LaserLay software is designed to analyze the path

of the indexes of the lens Which is acceptable at a certain interval and its results can be cited. If a model drawn in the form of a path diagram is confirmed by the fitness indexes of the model, the path diagram can be used to test the hypothesis about the causal relationship between the variables in the path diagram. The results for fitting indices are shown in Table 3.

Table 3. Characteristics of fitting model

Amount calculated	Desirable amount	Indicator	
0/87	<3	χ^2/df	Kay slayer
0/93	$>0/8$	AGFI	Conformity index
0/91	$0/9>$	GFI	Goodness fit indicators
0/93	$0/9>$	NFI	Normative index of fitness
0/94	$0/9>$	NNFI	Unsaturated fitness index
0/081	$0/1<$	RMSE	Root mean squares approximation

The values of Table 3 show that the research model has a desirable fitness, also considering that the value ($p\text{-value} > 0.05$) is Therefore, its entirety is also confirmed. Therefore, the model can be used to test the research hypotheses.

6-2. Test hypotheses

In this section, the test of the relationship set is defined which is defined in the theoretical framework of the research. Thus, the effect of the studied variables on the entrepreneurial activities of small and medium enterprises Tested. The results of this study are shown in Fig 1.

Chart 1. Structural research model (standard values)

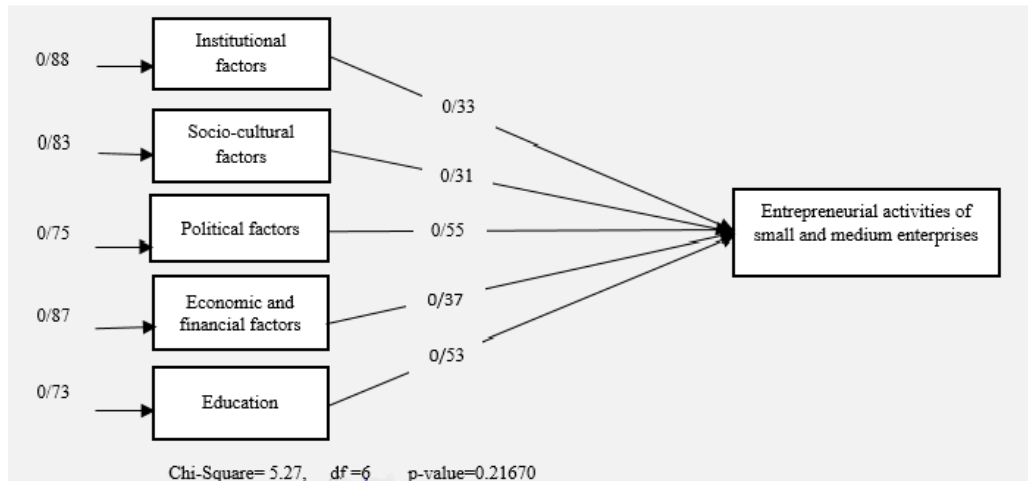


Table 4. Test results assumptions

Result	The statistics t	Path coefficient	Research hypotheses
Confirmation	2/39	0/33	Institutional factors have a significant effect on entrepreneurial activities of small and medium enterprises.
Confirmation	2/27	0/31	Socio-cultural factors have a significant effect on entrepreneurial activities of small and medium enterprises.
Confirmation	4/45	0/55	Economic factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
Confirmation	2/67	0/37	Political factors have a significant effect on the entrepreneurial activities of small and medium enterprises.
Confirmation	4/33	0/54	Educational factors have a significant effect on the entrepreneurial activities of small and medium enterprises

According to the results of structural equation modeling, the status of confirmation or rejection of research hypotheses about the relationships between the variables of the research is presented in Table 4. In this regard, given that the value of t-value for all relationships is greater than 1.96. Therefore, all research hypotheses are confirmed.

7. Discussion and Conclusion

Small and medium industries today play a significant role in the country's economic growth and development, leading to entrepreneurship, solving the unemployment problem, helping to improve the distribution of incomes in the community, and so on. As stated in the review of

theoretical foundations, the development of entrepreneurship in the disabled society has various factors and the development of entrepreneurship cannot take into account the whole process, but its origin is in the complement of activities. Which is done during this process. Therefore, the purpose of this study was to determine the structural equation between the variables and factors associated with government support on entrepreneurial activities in small and medium enterprises in Gorgan.

In this regard, in addition to identifying the factors affecting entrepreneurial activities in economic firms based on theoretical foundations and semi-structured interviews with experts, the effect of these factors on the five institutional dimensions,

Socio-cultural, political, economic and educational activities on the activities of small and medium-sized enterprises. Thus, according to the results of structural equation modeling, it can be admitted that all identified factors have a significant effect on entrepreneurial activities in small and medium enterprises. And all research hypotheses are confirmed. Accordingly, in the first hypothesis based on the significant effect of institutional factors on entrepreneurial activities of small and medium enterprises, Considering the significant coefficients and the obtained parameters, the significant relationship between the influence of institutional factors on entrepreneurial activities of small and medium enterprises is equal to 2.39 And taking into account the fact that the coefficients obtained are significant at a time when the value of their significant test is greater than or equal to $1/96$, It can be admitted that institutional factors have a positive and significant effect on the maintenance and development of these enterprises. This finding is consistent with the results of Clines et al. (2001) Adrij (2002), Abbasi and Fellow (2009) and Nazariyan et al. (2016). Therefore, turning to the fact that one of the most important strategies for the development of small and medium enterprises in the business environment of each country is the formation of an agile institutional structure, Efficient and coherent, aimed at supporting small and medium-sized enterprises, therefore, the government should support the activities of entrepreneurs in small and medium enterprises, Revision of bankruptcy laws to reduce penalties and increase the opportunity to restart an entrepreneur's activity, amend labor laws to move from employment to self-employment and flexible recruitment contracts, Emphasizing the reduction of barriers, requirements, formalities and administrative procedures for entrepreneurs. Also, given that in Iran there is no targeted and coherent structure to support small and medium enterprises, Establishment of an Office or Committee for the Support of Small and Medium Enterprises as an Instigating Institution with the aim of establishing

coordination and unity between the institutions providing services to small and medium enterprises under the supervision of one of the relevant ministries It can largely prevent tensions and conflicts, and, on the other hand, the concentration of these organizations increases under an office or structural power committee (this institution can be run under the jurisdiction of governors).

Also, in view of the long process of bureaucracy and the numerous bombardments of the bureaucracy to obtain the necessary permits and establishment of the enterprise, it is necessary to minimize administrative procedures and to eliminate bureaucratic processes for the support of organizations. Another important point is that the stability of economic policies and the formulation of laws is one of the most important components of supporting small and medium enterprises in the country, in which the government plays a central role in this field. In the second hypothesis on the significance of the relationship between socio-cultural factors and entrepreneurial activities of small and medium enterprises, the coefficient of path and t statistics were calculated to be 0.31 and 2.27 respectively Indicates a positive and significant relationship between these variables.

This finding is consistent with the results of studies by Fattahi et al. (2016) and Nazari and his colleague (2016). Therefore, the government should consider the specific circumstances of each region to examine entrepreneurial processes and methods of exploiting opportunities to culture, Developing the general culture of entrepreneurship and self-employment and building social awareness about entrepreneurship in the country, especially at the level of small and medium-sized enterprises. This is important through the creation of special institutions and positions, such as the Fund for the Protection of Entrepreneurs, the promotion of the culture of entrepreneurship and self-employment through mass media. Of course, when designing support programs for development and entrepreneurship development, the government must correctly identify the cultural components of

the society and try to determine the country and region according to the specific circumstances. Plan and implement programs to promote entrepreneurial culture and self-employment at the level of small and medium enterprises. In the study of the third hypothesis, the positive and responsible relationship between economic factors and financing on the entrepreneurial capability of small and medium enterprises was calculated as 0.55 and the value of the t-test was 4.45. Which indicates a positive and significant relationship between these two variables. This finding is consistent with the results of Kazemirad et al. (2011), Benzising et al. (2009), Fallah Haghighi et al., 1396. Accordingly, the government can, by providing economic infrastructure, reducing or eliminating tax, deferring and reducing corruption in the economic structure of the country as the most important means available to eliminate barriers to exclusion, Support entrepreneurs. In addition, paying low and low interest loans to entrepreneurs in small and medium-sized enterprises can help these individuals identify and attract existing opportunities.

In the fourth hypothesis, we examine the importance of political factors on entrepreneurial activities in small and medium enterprises. Based on the findings of this study, this hypothesis is confirmed by the amount of path coefficient (0.37) and t (2.67). This result is consistent with the findings of Kannaro (2010) and Fattahi and Henkaran (2016). Therefore, political factors such as communication with international markets, Government support for exporting manufactured goods, facilitating research and development, and purchasing new technologies from other countries, and adopting anti-monopoly policies and encouraging competition, is an important step towards protecting entrepreneurs from small and medium-sized enterprises. The fifth hypothesis examines the relationship between the role of government support in education and entrepreneurial activities in small and medium enterprises. The results show that the coefficient of path is 0.53 and $t = 4.33$, which shows the positive

and significant effect of this factor on entrepreneurial activities. This finding is in line with the results of Adrij (2002), Wong et al (2005), Fattahi et al. (2016), Nazari and Coqr (2016), Rabiei and Maghreb (2014) and Referee (2012). Therefore, it can be said that the government can promote and educate entrepreneurship in order to increase entrepreneurial skills and motivations and sustain the culture of society at the community level including public education, promotion and entrepreneurial skills in society, introducing successful entrepreneurs in the community And curriculum development, entrepreneurship and self-employment skills training in students and students, Cultural and educational platforms for entrepreneurship and self-employment in small and medium-sized enterprises.

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