



**The Role of International Entrepreneurship  
and Organizational Innovation on Achieving  
Business Competitiveness: A case study of a  
group company in Iraq**

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## Abstract:

This study presents the distribution of respondents based on gender, age group, level of education, management position, and overall job experience. The results indicate a higher representation of males (64.2%) compared to females (35.8%). The largest age group was between 40-49 years (37.4%), while the smallest group was below 30 years (7.3%). Respondents had diverse educational backgrounds, with the majority holding a bachelor's degree (39.0%) and a significant proportion having a high school education (26.8%). The study also revealed a balanced distribution of management positions, with CEOs (35.8%) and general managers (35.0%) being the most common roles. In terms of job experience, the largest group had 11-15 years of experience (43.1%), followed by 6-10 years (26.0%), indicating a diverse range of experience levels among respondents. Furthermore, the study examined the reliability of different domains within a questionnaire: International Entrepreneurship, Organizational Innovation, and Business Competitiveness. The results indicated varying levels of internal consistency. International Entrepreneurship had a relatively low Cronbach's Alpha coefficient (0.533), suggesting the need for further investigation and item revision. Organizational Innovation showed a moderate level of internal consistency (0.666), indicating room for improvement. Business Competitiveness demonstrated a higher level of internal consistency (0.743), indicating better reliability. The overall scale, encompassing all domains, had a moderate level of internal consistency (0.705). However, further examination and refinement are required to enhance its reliability. In conclusion, this study provides insights into the distribution of respondents across various demographic factors and highlights the need for improving the internal consistency and reliability of the questionnaire domains. These findings contribute to our understanding of the characteristics of the surveyed population and the potential areas for questionnaire refinement. **Keywords:** age group, education level, International Entrepreneurship, Organizational Innovation, gender distribution.

## 1. Introduction

The role of entrepreneurship in (global and) regional economic growth has been acknowledged. As a result, it's become crucial to understand why entrepreneurial activity varies so widely across geographic areas. Furthermore, there are substantial variations in entrepreneurial activity both within and across countries. The literature has typically described entrepreneurship as the result of either settings (such as the availability of venture capital (VC) or expanding demand) or individual characteristics (like risk-taking propensity, need for achievement). Knowledge (bounded reasoning, previous information), views, and tastes vary from person to person, and so do the organizations, sources, and product demand in each setting (Stam, 2009). The spirit of entrepreneurship is inherently linked to inventiveness and originality. Entrepreneurs who are also creative thinkers can spot untapped market niches and act on them with relentless determination. Entrepreneurs need a fiscally viable, technologically practical, and technologically innovative concept in order to launch a new business. The success or failure of a new company often hinges on the concept or goal behind it. This phase of a business' life cycle is crucial, as it is also the most innovative (Parthasarathy, 2011). In today's highly competitive business world, innovation is generally regarded as the most important factor in ensuring a company's continued existence and growth. One of Fortune magazine's most recent cover stories argues that "innovating-creating new products, new services, and new methods of putting out commodities more cheaply-has become the most pressing worry of companies worldwide" (Udwadia, 1990). The management community as a whole, including academics and professionals, is showing a growing fascination with new approaches. The administration of invention is an area where both academic research and practical advice are quickly expanding (Katz, 1988; Tushman et al, 1988 ). Despite the widespread focus on invention, the source of all creative endeavors—individual imagination—has gotten scant consideration in the management literature. We begin with the idea that individual inspiration is crucial to group invention (Plucker, J.A., 1998). Since international entrepreneurship involves finding, implementing, assessing, and capitalizing on chances across national boundaries, it plays a crucial role in the production of future products and services. Thus, the role of foreign innovators in shaping policies that can foster economic and societal progress has come to the fore. The role that innovation plays in boosting a company's viability is also receiving more attention.

Research problem and question in the Field of Study: Questions like "how much" organizational innovation influences the relationship between international entrepreneurship and business competitiveness, and "how much" international entrepreneurship influences the relationship between organizational innovation and business competitiveness, crystallize the research problem. This study aims to fill this knowledge vacuum

by examining the connection between foreign entrepreneurship and firm success via the moderating effect of organizational innovation.

2. **Literature Review** Within the context of total economic competitiveness, the connection between innovation and entrepreneurship is crucial for opening new avenues for economic growth. This research aims to emphasize the importance of innovation and development aspects in a country's competitiveness and proposes five categories for measuring competitive efficiency in developed economies. The study highlights the emergence of numerous SMEs focused on services and innovation, indicating their high potential for development. The theory of competitiveness rankings is based on Joseph Schumpeter's innovation-based spontaneous growth concepts proposed in the twentieth century. Schumpeter emphasizes the crucial role of entrepreneurship and innovation in driving economic progress. He sees entrepreneurs as agents of invention and change, responsible for constant flux in businesses and marketplaces. According to Schumpeter, economic development is attributed to innovation, which includes the introduction of new products, production methods, markets, resources, and industry structures. He considers innovation as a process of industrial transformation that leads to creative destruction of the economic model (Thompson, 2002). Entrepreneurs are the driving force behind innovation, leading to economic growth. They restructure sectors, introduce inventions, gain access to new resources, and create new output outlets. Through "creative destruction," entrepreneurs disrupt existing firms by introducing new products or services, allowing resources to flow from old market systems to new ones. Innovation gives entrepreneurs a strategic advantage over competitors, enabling them to generate income and produce new initiatives or products (Christopher and Nicolai, 2017). Innovation is not limited to the development of entirely new items; it also encompasses new ways of doing things, incorporating strategies or procedures, repurposing resources, and adapting to changing technology. Schumpeter emphasizes that innovation is essential for firms seeking profitability and competitiveness, as it leads to increasing profits and growth. The study investigates the critical role of entrepreneurship and innovation in achieving competitive advantage and organizational growth based on Schumpeter's theory. Process innovation, defined as the introduction of new production or delivery techniques, plays a significant role in enhancing productivity and efficiency. It simplifies operations, reduces costs, and has a positive impact on small and medium-sized enterprises (SMEs). Organizations that emphasize process innovation gain a competitive edge by lowering production costs, increasing performance, and delivering new or improved products and services. Research shows that process innovation has a beneficial influence on business performance, enabling SMEs to improve their overall efficiency (Orser et al, 2011).

**2.1 Entrepreneurship** The role of entrepreneurship in (global and) regional economic growth has been acknowledged. As a result, it's become crucial to understand why entrepreneurial activity varies so widely across geographic areas. Furthermore, there are substantial variations in entrepreneurial activity both within and across countries. The literature has typically described entrepreneurship as the result of either settings (such as the availability of venture capital (VC) or expanding demand) or individual characteristics (like risk-taking propensity, need for achievement). Knowledge (bounded reasoning, previous information), attitudes, and tastes are not uniformly distributed across individuals, and neither are organizations, inputs, or product demand across settings. Opportunities for entrepreneurship in the external world and ambitious people to seize them are essential to the entrepreneurship process. A person's propensity to venture out on their own develops when certain personal qualities and their immediate surroundings combine (Stam, 2009) It's possible to practice entrepreneurship while adhering to a wide variety of theoretical frameworks. Management, economics, sociology, and the history of economic thought are just some of the fields that have investigated this phenomenon. One school of thought holds that the entrepreneur is given responsibility for being an entrepreneur. The term "functionalistic business" is used to describe this way of thinking. Alternatively, there are those who veer away from the individualist point of view by focusing on the business process and diving deep into the dynamic between agency and circumstance (Gaddefors and Anderson, 2017).

### 2.1.2 Types of entrepreneurship

**1.1.2.1 Cultural** Practices of individual and group agency marked by movement between cultural occupations and forms of cultural output," write Christopher Rea and Nicolai Volland to describe cultural entrepreneurship, which they define as work in the creative industries. Rea and Volland, authors of *The Business of Culture* (2015), classify three types of cultural entrepreneurs: "cultural personalities," who "build their own personal brand of creativity as a cultural authority and leverage it to create and sustain various

cultural enterprises," "tycoons," who "build substantial clout in the cultural sphere by forging synergies between their industrial, cultural, political, and philanthropic endeavors," and "cultural innovators," who "create and sustain various cultural enterprises" (Christopher and Nicolai, 2017).

## 2.1.2.2 Ethnic

Ethnic entrepreneurs are those who, in the United States or Europe, identify with a race or ethnic community and have gone into business for themselves. Traditional examples include Chinese and Japanese West Coast shopkeepers, farmers, and eatery proprietors, as well as Jewish businesspeople in 19th and 20th century American towns. The 2010s have seen the study of ethnic entrepreneurship through the lens of Cuban business owners in Miami, Indian hotel owners in the United States, and Chinese business owners in American Chinatowns. Though there are many fiscal gains to be had by these communities through business (Chaudhary, 2015)

## 2.1.2.3 Religious

The term "religious entrepreneurship" encompasses both the application of business methods toward religious goals and the influence of faith on those methods. Despite its obvious importance, faith is rarely studied in the context of business. Bringing in religious beliefs has the potential to alter not only the goals and methods of businesses, but also the chances they pursue. To better understand faith business, Gümüşay proposes a paradigm based on three pillars: Entrepreneurship, socioeconomics/ethics, and religion/spirituality in the search for worth, ideals, and the ethereal are the foundations (Davis, 2013).

## 2.1.2.4 Feminist

In order to better the lives of women and girls everywhere, a feminist entrepreneur uses business as a tool to advance feminist ideals and theory. Entering the business world to generate prosperity and societal change is a driving force for many feminist businesses (Orser et al, 2011).

## 2.1.2.5 Institutional

Edith Penrose, a British economist who was born in the United States, has pointed out that business is inherently collaborative. Expanding on this idea, sociologist Paul DiMaggio (1988:14) writes, "new institutions emerge when coordinated players with adequate means take advantage of a situation in which they can pool (DiMaggio, 1988).

## 2.1.2.6 Millennial

A "millennial entrepreneur" is a company proprietor who identifies with the millennial generation, which spans roughly 1981–1996. These people are the progeny of baby boomers and the first members of Gen X, and they were raised up with the aid of computers and the media. Young company proprietors have a solid understanding of the commercial uses of new technology and innovative business strategies. Millennial businesspeople like Facebook founder Mark Zuckerberg have been responsible for a number of groundbreaking companies (Lucker, 2018).

## 2.1.2.7 Nascent

A person who is just getting their company off the ground is called a "nascent entrepreneur." The aspiring entrepreneur can be seen as someone who is looking for an opening. The chance being sought is largely based on the fledgling entrepreneur's own perceptions of the likelihood of successful venture results. Considering the new business owner's efforts to get the company off the ground (Sarasvathy, 2001).

## 2.1.2.8 Project-based

Entrepreneurs in the project-based economy are those who regularly assemble or form new impermanent groups. Limited-life groups are those formed to accomplish a specific task or mission and then dissolved as soon as their work is done. The music and video industries as well as software and television creation, new media, and building are all examples of sectors where project-based businesses are common. Entrepreneurs working on a project face the usual challenges and demands of starting a business (Germain and Aubry, 2019).

## 2.1.2.9 Social

The term "social entrepreneurship" refers to the practice of using business to address societal, cultural, or environmental problems. This idea is flexible enough to be used by groups of varying numbers, missions, and philosophies. To reduce poverty, improve health care, and build stronger communities are just a few examples of how social entrepreneurs try to make a difference beyond their own immediate sphere of influence through business. A social business may go for profit in order to further the organization's social or artistic mission (Thompson, 2002).

## 2.1.2.10 Biosphere



"Entrepreneurial action that creates wealth for the biosphere and ecological functions" is the definition of biosphere entrepreneurship. This is just one example of a growing movement in the world of business education toward a more robust treatment of environmental issues in course content (Frederick, 2018).

## 2.2 Innovation

Originality and invention are prioritized by most businesses. Regardless of their specific focus, most businesses would place a premium on developing novel approaches to old problems (Denton, 1999). Companies have made innovation a top goal as a result of the rise of the knowledge economy, increased worldwide rivalry, and the rapid development of new technologies. New products, improved procedures, and more creative business models are the direct outcome of inventive thinking. Often, innovations fill voids or satisfy unspoken needs in the market or among consumers. Though they are frequently used equally, originality and invention are actually quite different (Man, 2001). When we talk about creativity, we mean the ability to come up with new ideas, while when we talk about innovation, we mean the process of putting those ideas into practice. There are three distinct forms of creativity: the person, the community, and the institution. There are two types of invention, and they are similar to gradual and extreme. According to this study, innovation is defined as "the introduction of new goods or services, or enhancement in providing goods and services, as a consequence of the actual application of concepts." ISO TC 279 describes innovation as "a new or altered entity generating or transferring value" in the standard ISO 56000:2020. Other people have various meanings, but they all share an emphasis on novelty, progress, and the proliferation of concepts and innovations. When inventors make their new and improved goods, services, tools, works of art, or business strategies accessible to consumers, businesses, and governments, we say that they have innovated. Technical innovation typically manifests itself through the engineering process when the problem being solved is of a technical or scientific nature, but innovation is not the same as invention and does not always involve the practical implementation of an invention (i.e. new or improved ability) to make a meaningful impact in a market or society. In contrast to innovation, we have exnovation. That's according to a recent study (Lijster, 2018).

## 1.3 Competitiveness

Competitive markets involve multiple economic companies vying for a finite pool of customers and products by altering one or more of the four pillars of the marketing mix (price, product, advertising, and location). According to the tenets of classical economics, increased customer choice and improved quality are the results of rivalry between businesses that leads to the creation of novel goods, services, and technologies. Products tend to cost less when there is more rivalry in the market as opposed to when there is either no competition (monopoly) or very little competition (discounting). (oligopoly). A number of firm and seller-side variables, including the number of firms, obstacles to entrance, knowledge, and availability/accessibility of resources, contribute to the overall degree of rivalry in a given market. Demand in the market is affected by the amount of people who want to purchase the goods and their individual readiness to pay for it. (Pasurka, 2008). While contemporary economic theory has concentrated on the many-seller limit of general equilibrium, early work in the field examined the dissimilarities between price and non-price based rivalry. According to Antoine Augustin Cournot, a French economist from the 19th century, rivalry exists when there is no relationship between price and supply, or when the demand graph for the company is flat. (Stigler, 2008). Proponents of pro-competition policies warn that isolating domestic industries from global forces through restrictive measures can lead to their eventual decline. Protectionism, they say, is rarely more than a stopgap measure, a band-aid solution to the more fundamental issue of domestic manufacturing's decreasing efficiency and quality. American competition advocacy began to gain significant traction in Washington policy debates in the late 1970s and early 1980s as a result of increasing pressure on the United States Congress to introduce and pass legislation increasing tariffs and quotas in several large import-sensitive industries (Stern, 1984).

## 3. Methodology

First, data collection methods: the study will use a quantitative method and the survey questionnaire as a method for obtaining primary data from managers and employees working in group companies in Iraq. Quantitative research in business and management is defined as a stimulating and informative approach to collecting data from participants using sampling methods and sending electronic surveys or questionnaires (Beins and McCarthy, 2018). Furthermore, the quantitative method is usually used in social sciences, and statistical approaches are adopted to systematically conduct quantitative research. Statisticians and researchers in quantitative research put out statistical frameworks and theories related to the quantity in

question (Sekaran and Bougie, 2016). Moreover, the study design, especially related to the scanning tool, conceptual model, and hypotheses are a positive correlational effect, and it is suitable since this design allowed the participants to provide their perceptions, awareness, and relevant information on international entrepreneurship activities and the process of organizational innovation in achieving business competitiveness. Second, the study samples will obtain from managers and employees working for the main branches of group companies in Iraq. Third, statistical procedures the study will use statistical programs, such as SPSS Amos 25 to analyze the empirical study data and hypotheses testing. Establishing survey reliability and validity and then analyzing data. For establishing reliability, some significant indexes namely composite reliability (CR), and Cronbach's alpha will be used. **Table 1: Analysis of Gender, Age, Education, Management Positions, and Job Experience**

		Count	Table N %
Gender	Male	79	64.2%
	Female	44	35.8%
Age Group	<30	9	7.3%
	30-39	34	27.6%
	40-49	46	37.4%
	50-59	22	17.9%
	>=60	12	9.8%
Level of Education	High School	33	26.8%
	Bachelor Degree	48	39.0%
	Master Degree	17	13.8%
	PhD	25	20.3%
Management Position	General Manager	43	35.0%
	CEO	44	35.8%
	Branch Manager	36	29.3%
Overall Job Experience	<5	14	11.4%
	6-10	32	26.0%
	11-15	53	43.1%
	16-20	5	4.1%
	>=20	19	15.4%

The study Analysis of Gender, Age, Education, Management Positions, and Job Experience in companies in the Erbil, Kurdistan Region, which numbered 123 people, divided according to Gender, Age, Education, Management Positions, and Job Experience.

**Table (2) Reliability Statistics**

Domain	N of Items	Cronbach's Alpha
International Entrepreneurship	15	0.533
Organizational Innovation	7	0.666
Business Competitiveness	9	0.743
Overall	31	0.705

The table provides a summary of responses for different statements, along with various statistics such as counts, percentages, means, standard deviations, and the percentage of agreement.

#### 4. Results and Discussion

- The table provides information on the distribution of respondents based on gender, age group, level of education, management position, and overall job experience. Here is a discussion of the results:
- Gender: The data shows that the majority of respondents were male (64.2%), while the remaining 35.8% were female. This suggests a higher representation of males in the surveyed population.
- Age Group: The largest age group among the respondents was in the 40-49 range, accounting for 37.4% of the total. This indicates a significant presence of individuals in their late thirties to early forties. The smallest age group was below 30 years, comprising only 7.3% of the respondents.

- **Level of Education:** The respondents' educational background indicates a diverse group. The largest proportion (39.0%) held a bachelor's degree, followed by 26.8% with a high school education. A smaller percentage had a master's degree (13.8%) or a PhD (20.3%), suggesting a relatively higher level of education among the respondents.
- **Management Position:** The data reveals that the respondents were distributed across different management positions. The highest percentage was CEO (35.8%), followed closely by general managers (35.0%). Branch managers accounted for 29.3% of the respondents. This suggests a relatively balanced representation of management positions in the surveyed population.
- **Overall Job Experience:** The respondents' job experience varied across different categories. The largest group had 11-15 years of experience (43.1%), indicating a considerable number of individuals with moderate experience. The next most common range was 6-10 years (26.0%), followed by those with less than 5 years of experience (11.4%). The smallest group had 16-20 years of experience (4.1%). This distribution suggests a relatively diverse range of experience levels among the respondents.
- The table presents the results of a study measuring the reliability of different domains within a questionnaire. The domains assessed are International Entrepreneurship, Organizational Innovation, and Business Competitiveness, along with an overall measure. The results are reported in terms of the number of items in each domain and the Cronbach's Alpha coefficient, which is a measure of internal consistency or reliability. Here is a discussion of the results:
- **International Entrepreneurship:** This domain consists of 15 items, and the Cronbach's Alpha coefficient obtained is 0.533. The coefficient indicates a relatively low level of internal consistency. This suggests that the items in this domain may not be strongly correlated with each other, and there may be some issues with the reliability of the scale. Further investigation or revision of the items may be necessary to improve the reliability of this domain.
- **Organizational Innovation:** The domain of Organizational Innovation includes 7 items, and the Cronbach's Alpha coefficient obtained is 0.666. The coefficient suggests a moderate level of internal consistency. While it is higher than the coefficient for International Entrepreneurship, it is still not considered high. This indicates the need for further examination of the items and potential refinement to enhance the reliability of this domain.
- **Business Competitiveness:** With 9 items, the Business Competitiveness domain demonstrates a higher Cronbach's Alpha coefficient of 0.743. This coefficient indicates a relatively good level of internal consistency. The items in this domain are more strongly correlated with each other compared to the previous two domains, suggesting higher reliability.
- **Overall:** The overall measure encompasses all 31 items from the three domains. The Cronbach's Alpha coefficient obtained for the overall scale is 0.705, indicating a moderate level of internal consistency. This coefficient is higher than that of International Entrepreneurship but lower than that of Business Competitiveness. It suggests that the overall scale could benefit from further examination and refinement to improve its reliability.

## 5. Conclusion

In conclusion, the distribution of respondents based on demographic factors shows that the majority of the surveyed population were male, with females representing a smaller proportion. The age group with the highest representation was between 40-49 years, indicating a significant presence of individuals in their late thirties to early forties. In terms of education, the respondents had a diverse background, with a higher percentage holding a bachelor's degree, followed by high school education. The distribution of management positions was relatively balanced, with CEOs and general managers being the most common roles. Regarding overall job experience, the respondents exhibited a diverse range, with the majority having 11-15 years of experience. Turning to the reliability of the questionnaire domains, the results suggest varying levels of internal consistency. The International Entrepreneurship domain had the lowest Cronbach's Alpha coefficient, indicating a relatively low level of internal consistency. Further investigation and item revision may be necessary to enhance the reliability of this domain. The Organizational Innovation domain showed a moderate level of internal consistency, but there is still room for improvement. The Business Competitiveness domain demonstrated a higher level of internal consistency, suggesting greater reliability. The overall scale, encompassing all domains, exhibited a moderate level of internal consistency, but further examination and refinement are needed.

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