

**THE FACTORS AFFECTING AGRICULTURAL JIHAD ORGANIZATION PERFORMANCE INCREASE AFTER THE MERGER OF THE MINISTRY OF JIHAD AND AGRICULTURE ;( CASE STUDY: ANDIMESHK AND SUSAN)**

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**Abstract**

The overall objective of this study was to investigate the factors affecting the performance increase of Agricultural Jihad Organization after the merger of the Ministries of Agriculture and Agricultural Jihad in Andimeshk and Susa. The study population consisted of 70 managers and experts working in the agricultural Jihad organization of the cities Susa and Andimeshk, where all 70 persons were participated in the study using sampling census. The main research tool was a researcher-made questionnaire that its validity was confirmed by a panel of experts and its reliability by Cronbach's alpha coefficient ( $\alpha > 0.7$ ). Data analysis was performed by SPSS<sub>win18</sub> software.

**Keywords:** Jihad, Agricultural Jihad, performance, Andimeshk, Susa

**Introduction**

The concept of economic globalization, the government run things should play a guiding role rather than having the responsibility of tasks. It is while 85 percent of the economic system of our country is in the public sector and the only 15 percent for the private sector. (Tadbir Special Report Group, 1382, 154, 70). In today's competitive world, globalization, reducing tariffs, domestic and foreign investments and the issue of enhancing the quality of services and products on the markets, we can no longer expect to see dynamics and entrepreneurship in production, economy, exports and services. It is while, our society needs to develop a healthier private sector based on the production of high quality goods and services. The national commitment to downsize the government as the first step is necessary. The experiences of countries which have downsized their governmental organizations indicate that these countries have achieved very valuable results in terms of performance. So it seems that the highlighted role of government in managing the portfolio should be reduced and instead monitoring and directing the works by the government have to be developed. Of course, there are obstacles for downsizing the government, including that this belief has not still established in the realm of government and the state administration in practice, there is not strong support from the private sector, and also the ability of systems to absorb foreign invests is limited. However, specific

policies for downsizing the government have been anticipated in the third and fourth development plans and 20 years mission of the country. Among these policies, the followings can be implied: restrictions on entering government services, assigning service and support to the non-governmental sector, the merger of ministries, agencies and state enterprises, transferring state shares to the public sector, fitting the number of employees in each organization, reorganization of the structure, organization, and procedures.

Islamic Republic of Iran's government, for downsizing and integration of wide and long organizations, started to eliminate and merger parallel structures, including the elimination of the ministries of construction Jihad and Agriculture, and establishing a new ministry called Agricultural Jihad. Privatization of services and supports and also assignment and transfer of some subset institutions such as electricity, water, rural development offices to the similar ministries has caused decreasing the amount of tasks and the responsibilities of this organization. Implementation of the four-step merger created the following effects: wheat production per hectare has been increased from 2,700 kg in the year before the merger to 4,200 kg in 1384. And also increased production of 15 items of crops which are the major crops of the region from 14,300 kg to 17,100 kg per hectare. Regarding to the above statistics indicating the growth and increased products, these increases are only induced by the impacts of merger, by which doing the works better and speed of doing works have been met. Such growth is unprecedented in the organization before the merger. Thus it can be argued that there is a relationship between the implementation of merger plan and performance improvements in crop production. Surveys conducted by the experts of development management suggests that the new function and role of government as a facilitator with organic and democracy style is more consistent. Among the reasons for the inefficiency of intervening government, it is sufficient that the countries of East Bloc such as Soviet Union, China, Eastern Europe which had mainly state economy and concentrated power, were faced to severe economic problems due to the lack of using competitive power, which was followed by political changes. In Iran, more than 70% of economy is public, while it is always discussed about downsizing the government and moving toward privatization; including that it is seriously emphasized in the third and fourth development plans. For instance, during 1998 and 1999, a good capacity has been provided in the budget through footnote 35 to reduce the intervention of government and state organizations; or in the chapters 2, 3 and 4 of the third development plan, under the title of organizing state organizations, transferring the shares and management of state companies and regulating the monopolies and also making the economic activities competitive; or in the footnote 4 of 2003 budget, reformation of administrative and management structure; and in the footnote 88 of 2004 budget about the assignment of affairs and downsizing the government. Recently, by focusing on the article 44 of the Constitution, the efforts have been undertaken to downsize the government.

### **The theoretical framework:**

The theoretical framework is a model on which the researcher theorize the relationships between variables and factors which have been diagnosed significant for the creation of the problem and explains the relationships logically. In this study, structural changes occurred in Agricultural Jihad Organization have been investigated form the angle of theoretical discussions (the size and bureaucracy, the study of small-sized organizations, structural

characteristics, organizational life cycle, regress and shrink trend of organization) during the first stage. However, agriculture is inspired by a model, but while the four famous models (John Byrne model, Richard Daft model, William Vitzel and Allen Johnson model, and Robert Quinn and Kim Cameron model) were used, the issue of organizational downsizing and privatization in the implementation of merger plan has been noticed regarding to the theorists and executive managers in the international arena. Research analytical model has been designed with regard to the outcome of proposed models on the research topic (downsizing the organization, organizational life cycle) and the facts of implementing the merger plan in target organization (Agricultural Jihad Organization of Khuzestan). As a result of the implementation of the merger plan, four components have been considered which are implemented in the organization; these components are as follows: a) elimination of the parallel organizations, b) transferring service activities to the private sector, c) modification of human resources, d) independency of subsidiary organizations.

### **Research literature:**

Researches have been performed about the given subject and similar research areas inside and outside the country, that some of them has been implied here.

Zohre Moradian in her master of sciences dissertation entitled “the relationship between quality of work and the performance of staff working in Road and Transportation Ministry” in 2002 has paid attention to the fact that whether there is a relationship between the type of organization and their performance? The results indicate that fair payment, legalism, providing opportunities for continued growth, social affiliation of the career, continuous securing, and development of human capabilities, safe working environments, and social integrity is positively correlated with the employees’ performance of the Ministry of Roads and Transport. Saeid Zeidi (1997) in his master of sciences dissertation entitled “the relationship between job satisfaction and the performance of managers and staff of Tokado company and its subsidiaries” has concluded that job satisfaction is somehow related to the ability, understanding the role, organizational support, motivation, evaluation, validation and organizational environment, and there is a direct relationship between job satisfaction and the performance of the managers of Tokado company; while only employing competent managers is not enough, but they should be guided as well.

Farhad Senoubari (2000) in a study entitled “The relationship between type of organization and performance of the employees working in Refah chain stores” concluded that there is a relationship between fair payment and employees’ performance. Safe environment improves employees’ performance and development of human capabilities also promotes employees’ performance. Integration and social cohesion is effective on performance. Social affiliation of the carrier is also effective on employees’ performance.

Elmuti, Dean (2003) in his study entitled “Impact of Internet Aided Self-Managed Teams on Quality of Work-Life and Performance” for a 36-month period in a large pharmaceutical company in the northeastern United States; comparing the results with the data from the program before running the program achieved the following results: The performance results document a positive and substantial impact on employee productivity, efficiency, quality, and overall performance. Employee’s participation in IASM plan improves the type of

organization. Using this program will be made their jobs more demanding and challenging at the same time.

(Lowe, 2000, 1) compared the performance of companies that were known to have a high type of organization with the performance of 500 other companies. In order to assess the performance, 5 years dependence of sales growth, capital growth, profit growth, margin were used. The results of his investigations indicate that organization type is an important factor in determining the performance of the companies.

**Materials and methods:**

The paradigm of this research is in the quantitative research category. It is applied research in terms of objectives. Methodology used to collect data is a descriptive research by survey. The study population consisted of 70 managers and experts working in the agricultural Jihad organization of the cities Susa and Andimeshk, where all 70 persons were participated in the study using sampling census. The main research tool was a researcher-made questionnaire that its validity was confirmed by a panel of experts and its reliability by Cronbach's alpha coefficient ( $\alpha > 0.7$ ). Data analysis was performed by SPSS<sub>win18</sub> software.

**Research Findings**

The results of descriptive statistics for age have been presented in below:

Age	Frequency	Percentage	Cumulative frequency
Under 30	7	13	13
31-35	14	25.9	38.9
36-40	20	30	75.9
41 and above	13	24.1	100
Total	54	100	

As can be seen in the table, the largest number of subjects aged 36 to 40 years that consist of about 37% the sample; and the minimum number of subjects aged under 30 years old, which consist of about 13% of the sample.

Among the sample, the largest number of subjects have bachelor of sciences with the most frequency about 48.2%. And the subjects with PhD consist of 3.7%.

Education level	Frequency	Percentage	Cumulative frequency
Undergraduate	15	27.8	27.8
Bachelor	26	48.2	76
Master	11	20.3	96.3
PhD	2	3.7	100
Total	54	100	

Major hypothesis: Merger of Ministries of Agriculture Jihad and Agriculture is effective on the performance of Agricultural Jihad organization of Northwest of Khuzestan.

Distribution of respondents to the questions about major hypothesis and results of the chi-square test

Fields		Choices					Average	Q-Square (significance level)
		Very low	Low	Moderate	High	Very high		
Modification of human resources	Frequency	92	60	93	57	47	2.78	21.50
	Percentage	25.8	16.9	26.1	16	15.2		
Transferring support and service activities to the private sector	Frequency	71	129	234	152	139	3.18	94.75
	Percentage	9.8	17.8	23.3	21	19.1		
Elimination of parallel organizations	Frequency	48	56	140	77	37	2.98	93.65
	Percentage	13.4	15.7	39.1	21.5	10.3		
Independency of subsidiaries	Frequency	45	58	127	83	41	3.01	70.97
	Percentage	12.7	16.4	35.9	.5	11.5		
Total	Frequency	256	3303	594	369	271	3.01	214.20
	Percentage	14.3	16.9	33.1	20.6	15.1		

**Discussion and Conclusion**

The results, in addition to confirm proposed hypotheses, indicated that downsizing is one of the factors of improving organizations’ performance, which has been discussed as the merger process in this study. The concept means to merger the organizations consisting of four variables (elimination of parallel structures – transferring and support and service activities to the private sector and other sectors – adjusting human resources - and independency of subsidiaries), and the implementation of all these components is positively effective the organization’s performance.

As it can be seen from above table, for all the categories (except the first one) about the effect of integrating the ministries of Construction Jihad and Agriculture on the performance of Agricultural Jihad organization of Northwest of Khuzestan, the frequency of higher than average fields is more than the frequency of lower than average fields, and this difference is also statistically significant ( $p = 0/0001$  and  $x^2 = 214/20$ ); so the main hypothesis is confirmed. In the other words, from the perspective of respondents, integrating the ministries of Construction Jihad and Agriculture on the performance of Agricultural Jihad organization is 3.01 reflecting the views of the administrators to the moderate the impact of the merger on the level of performance. Highest average score is in the second field, assignment of support and

service activities to the private sector with 3/18, and the lowest average score is in the field of human resource modification, which is equal to 2/30.

In other words, from the perspective of respondents, human resource modification has little impact on the performance of Agricultural Jihad organization of Northwest of Khuzestan. Total average concerned the impact of the elimination of parallel structures on the level of performance equals to 2/78, which reflects the views of the administrators to the lower than average impact of the elimination of parallel structures on the level of performance. The highest mean score is corresponded to the (improved health, welfare, and sports services) with 3/20 and the lowest mean score to the (reducing the number of employees) with 2/30.

From the perspective of respondents, transferring support and service activities to the private sector and other agencies have significant impact on the performance of Agricultural Jihad organization of Northwest of Khuzestan. Total average concerned the impact of transferring support and service activities to the private sector and other agencies on the level of performance equals to 3.18, which reflects the views of the administrators to the higher than average impact of the transferring support and service activities to the private sector and other agencies on the level of performance. The highest mean score is corresponded to the (supporting the applicants of bank facilities and development of investments) with 3/51 and the lowest mean score to the (doing necessary efforts on organizing and optimizing demand and supply system and regulating the market of agricultural and animal products as well as enabling the producers and distributors of private sectors) with 3.02.

From the perspective of respondents, the elimination of parallel structures have significant impact on the performance of Agricultural Jihad organization of Northwest of Khuzestan. Total average concerned the impact of the elimination of parallel structures on the level of performance equals to 2/98, which reflects the views of the administrators to the relatively moderate impact of the elimination of parallel structures on the level of performance. The highest mean score is corresponded to the (cooperation between the units in accountability) with 3/31 and the lowest mean score to the (reducing the number of units) with 2/59.

The independency of subsidiaries have significant impact on the performance of Agricultural Jihad organization of Northwest of Khuzestan. Total average concerned the impact of independency of subsidiaries on the level of performance equals to 3.01, which reflects the views of the administrators to the relatively moderate impact of independency of subsidiaries on the level of performance. The highest mean score is corresponded to the (improvement of monitoring, evaluation and assessment of plans, activities, and efforts) with 3/22 and the lowest mean score to the (innovation and creativity) with 2/73. Totally, all 4 hypotheses based on the effectiveness on organization's performance have been confirmed.

The statistics of organization extracted comparatively before and after the merger confirm the above relationships. In essence, the merger of organizations that carry out similar works is positively effective on their performance. It seems necessary to perform this plan in other similar organizations so that the government is downsized, the performance of organizations will be improved and also by the efficiency of state organizations, the efficiency of government will be guaranteed.

Finally, it is recommended to pay attention to the importance of appropriateness of job with human power. The evolution made by executing merger plan has caused the accumulation of human resources in some sections of organization; since some parts have been transferred to

the private sector and some parallel units have been eliminated; thus although it has led to performance improvement, we should be aware to retain loyal employees. Because the dismissal of excessive employees may cause them to be dissatisfied and we should provide their reemployment by encouraging policies and assigning support and service department to the excessive sources.

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