Identifying the Indicators of the Theory of Planned Behavior in Successful Entrepreneurs of Small and Medium-Sized Enterprises

Kambiz Talebi[1]*, Ardalan Tanbakouchian[2], Ali Bozorgi Amiri[3]
1. Faculty of Entrepreneurship, University of Tehran, Tehran, Iran
2. School of Industrial Engineering, Alborz Campus, University of Tehran, Tehran, Iran
3.School of Industrial Engineering, College of Engineering, University of Tehran, Tehran, Iran

Abstract

This paper aims to identify the indicators of the theory of planned behavior which are common among successful entrepreneurs as role models in order to help the growth of small and medium-sized enterprises. This study uses an applied research method, integrated data, and descriptive data analysis. Initially, in accordance with the purposive approach of typical case sampling, semi-structured interviews were conducted with the CEOs of nine successful private firms in order to identify the attitudes, subjective norms, and perceived behavioral control of successful entrepreneurs. In the second step, given the applied nature and descriptive-correlative data analysis method of the research, the collected data were analyzed and several concepts were extracted. Next, a standardized questionnaire based on Ajzen's was constructed and distributed among members of the Electrical Industry Syndicate and Electrical Panel Makers Association of Iran. Fifty questionnaires were filled out and returned by the respondents. The data were analyzed using confirmatory factor analysis and structural equation modeling in the software Smart PLS and the model's final components were obtained. The findings indicate that identifying competitive advantages, a multi-skilled and cohesive board of directors, quality products, prioritizing customer satisfaction, and proper training are the key components contributing to the success and growth of organizations.

Keywords

* **Corresponding Author, Email:** ktalebi@ut.ac.ir

1. Introduction

Growth is a complex concept and process. Arguably, the most significant issue that SMEs (small and medium-sized enterprises) face in their work is to grow the business and to establish a strong presence in competitive markets. The theory of planned behavior (TPB) was introduced by Ajzen (1985) as a means of explaining or predicting human behavior patterns. According to Ajzen and Fishbein (1980), there are two major types of overall attitudes: attitude toward objects and attitude toward behaviors. The TRA (Theory of Reasoned Action) model is based on the social psychology of human behavior. Subjective norm refers to a set of beliefs that people consider decisive and determines whether they should or should not perform a behavior according to their perception of what those closest to them think. Moreover, perceived behavioral control (PBC) refers to an individual's own perception of the ease or difficulty of performing a behavior (Chang 1998).

Prior research conducted on the role of entrepreneurs in decision-making and growth led to the concept of entrepreneurial behavior which comprises a specific set of beliefs, attitudes, behaviors, and intentions. This concept evolved into the theory of planned behavior (TPB) which is now considered one of the key growth principles in SMEs (Wiklund & Shepherd 2005). In *Small Firm Growth and Performance*, Wiklund identifies the importance of this theory and discusses it in three chapters of the book. Perhaps the main reason for researchers' interest in this theory lies in its use of a longitudinal study approach. In many developed countries, the role of SMEs as the driving force of economic growth is well-recognized. These businesses are considered equally crucial in Iran as well. Based on the statistics provided by the Iranian Ministry of Industry, Mine, and Trade, about 94% of industrial units in Iran between 1989 and 2005 were small firms (Statistical Center of Iran 2006). The role of attitude, subjective norms, and consumer innovativeness in the augmentation of women's inclination to purchase skincare and cosmetic products has also been investigated. The results provide sufficient evidence to support the claim of a direct relationship (Tajeddini & Nikdavoodi, 2014).

In recent growth theories, the role of entrepreneurs as one of the most decisive growth factors has drawn much attention, with their knowledge and experience being considered integral in this regard (Gashi & Kume, 2017).

There is, indeed, a relationship between the SME development policy and entrepreneurial development policy; however, these policies have different logics and objectives and, thus, are not implemented using the same approach. Certainly, the SME development policy prioritizes the development of existing businesses, while the entrepreneurial development policy is focused on the entrepreneurs themselves (Davari, Ramezanpour, Afrasibi, & Davari, 2018). The aspiration for growth has been investigated based on the personality traits of SME managers, work environment properties, and the business features of SMEs active in the field of exports (Hanifzadeh, Talebi, & Sajadi, 2018). Adding the motivation factor to the TPB, where a distinction is made between motivation and intention, is another topic explored with the purpose of expanding the TPB model (Wibowo, Suhud, & Wibowo 2019). A relatively similar study has been conducted on entrepreneurial intentions among construction workers, where the researchers specifically study the effects of sex and age on the intention of construction workers to engage in entrepreneurial activities (Reddy, Viney, & Venkateswarlu, 2019).

The importance of the electric power industry for the economic growth of Iran and the ever-increasing reliance of all industries on electric power is undisputed (Statistical Center of Iran, 2002-2006). On this basis, the successful managers who, in spite of the eight-year war and recent sanctions, have still managed to keep the country's electric power industry in excellent conditions are considered as a factor in this study. Therefore, this study is an effort to employ the TPB, whose positive impact has been proven in various industries, and integrate this theory with the valuable experience of successful Iranian managers in order to identify these entrepreneurs' motivations, attitudes, and behaviors, and help propel other entrepreneurs and industrial practitioners toward success as well. It is worth noting that, thus far, no systematic investigations have been conducted on the impact of the TPB or the attitudes and subjective norms of Iranian

entrepreneurs on the growth of electric power companies. In brief, the present study was conceived and executed as an attempt to answer the following questions:

1. How do attitudes, subjective norms, and behaviors have a positive influence on Iranian managers?
2. Can TPB indicators be employed to enhance the progress and growth of small firms?
3. Do successful managers unconsciously make use of TPB indicators to achieve growth in their respective firms?
4. Underpinning the TPB indicators, the Iranian culture, and experiences of successful entrepreneurs, how may motivations, attitudes, and perceived behavioral control of entrepreneurs affect the firm's growth?

This study is structured as follows. In the research background, the main components of growth in terms of development policy and entrepreneurial policy in firms are stated along with an explanation of their differences, a number of research works on the use of the TPB in various fields are introduced, and then a number of such studies on this subject in Iran are discussed. In the chapter on methodology, the methods used in this study, including the research objective, nature of data, and data collection technique, are introduced. In the penultimate chapter, the findings of the research are detailed, the bulk of which is composed of a comprehensive data analysis. The final chapter is allocated to discussion, a brief conclusion, and a number of suggestions for future research work.

2. Research Background

In most studies, only external factors contributing to the growth of firms have been investigated, often along with a single personal trait, namely motivation (Hosseini, Arman, & Mohammadizadeh, 2018, Davari et al., 2018). Performance goals typically center on long-term and sustainable growth factors such as growth in revenue, assets, and market share over multi-year periods. Previous studies suggest that an environment, in which a firm competes, along with its structure and information processing capabilities are important factors for growth and development (Tajeddini & Mueller, 2019). However, the impact of the entrepreneur's attitude, subjective norm, and PBC on the growth

of the firm has been neglected. Some studies have focused on knowledge and leadership skills, but their definition of knowledge has been limited to a combination of education and experience, while they regard leadership as having the experience of founding a firm and the ability of managing it. Another group of studies has regarded the knowledge and thoughts of entrepreneurs as competitive advantage (Whitley 1992), while others determine their perception of their firm's entrepreneurial orientation in terms of proactiveness, risk taking, innovativeness, competitive aggressiveness, and autonomy (Tajeddini & Mueller, 2012). Others have, indeed, pointed to the crucial role of entrepreneurs in the growth of firms (Gashi & Kume, 2017). However, neither has delved into the details of how the thoughts, mindsets, norms, and behaviors of entrepreneurs can lead to the success of their respective firms. In brief, these studies seem to have compared the knowledge and leadership skills of the owners and managers of various firms, but have generally disregarded the attitudes and beliefs of entrepreneurs as human beings (Wiklund & Shepherd 2005).

Recently, the motivation factor has also been incorporated in the discussions on the TPB. A group of researchers set out to expand the TPB by adding in motivation as a variable. They surveyed a number of senior undergraduates through a questionnaire and concluded that motivation and intention are two different characteristics and, thus, must be examined as separate variables in predicting entrepreneurial intention and behavior (Wibowo et al. 2019). This study, however, does not evaluate TPB indicators in entrepreneurs and their impact on the growth of SMEs.

Another study investigated the impact of the TPB on the entrepreneurial intentions of construction workers. The authors concluded that the theory has a positive impact on the workers. Additionally, male workers were found to have stronger entrepreneurial characteristics compared to their female peers, while workers aged 40 and above exhibit more inclination to become entrepreneurs than others (Reddy et al. 2019). Again, this study does not incorporate the TPB indicators of entrepreneurs and their impact on the growth of firms.

A study found that having a proactive personality, social capital,

self-efficacy, and innovativeness are remarkably associated with entrepreneurial intentions. These associations indicate that individuals with dynamic, proactive personalities tend to be extremely motivated to start new investment projects (Zeb, Sajid, & Igbal, 2019). Another study shows that when entrepreneurs possess higher entrepreneurial alertness, their attitudes towards behavior, subjective norms, and PBC tend to increase considerably. On this evidence, the authors encourage educators to devise curricula that focus on improving entrepreneurial alertness with regards to the students' backgrounds in academic entrepreneurship (Urban 2019). This study neglects TPB indicators in entrepreneurs and their impact on the growth of firms.

The impact of motivation on entrepreneurial behaviors and intentions with the goal of developing the TPB was investigated among Pakistani engineering students. The results, obtained using the SEM and partial least square (PLS), show that motivation and PBC are positively related with entrepreneurial intentions (Alam, Kousar, & Abdul Rehman 2019). This study does not incorporate the TPB indicators of entrepreneurs and their impact on the growth of firms.

Another study assessed entrepreneurial intentions using the TPB in Turkey. The researchers sent a questionnaire to the international students of Turkish universities through several online platforms such as WhatsApp, Facebook, and e-mail. The results indicate that personal incentives along with PBC have a direct and positive impact on the entrepreneurial intentions of students studying in 25 universities in 12 big Turkish cities (Berto et al. 2019). This study does not incorporate the TPB indicators of entrepreneurs and their impact on the growth of firms.

With regards to the TPB, numerous studies have been conducted in sociology, medicine, nutrition engineering, and mental health. Some of these studies are listed below:

- The moderating role of anticipated, affective ambivalence in the formation of entrepreneurial intentions (Zampetakis, Lerakis, Kafetsios, & Moustakis, 2017);
- Predicting sugar-sweetened behaviors with the theory of planned behavior constructs (Zoellner et al. 2017).
- Identifying the factors influencing mothers' behavior regarding the control of their children's sugary snack intake by applying

the Theory of Planned Behavior (Vichayanrat, Sudha, Kumthanom, Apisuttisin, Uawatanasakul, & Ariyakieatsaku, 2018).

- Development and psychometric testing of the attitudes, subjective norms, PBC, and intention to pursue a career in mental health nursing scale in Sydney, Australia (Wilbourn, Salamonson, Ramjan, & Chang, 2018).

In Iran, the growth of companies active in food, pharmaceutical, metal, chemical, and clothing industries in addition to knowledge management, leadership methods, innovative behavior, acceptance of new knowledge, and prioritizing growth factors using decision-making software have all been studied by researchers.

In one such study, the knowledge management enabler was evaluated as a latent variable in a number of SMEs active in food, pharmaceutical, metal, chemical, and clothing industries based in Mazandaran Province of Iran (Gholipour et al. 2010). Also, the transformational leadership style and innovative behavior in innovative climates were examined among the workers of Iranian SMEs in Ardabil Province (Damirchi et al. 2011).

Innovative marketing strategies in food industry SMEs of East Azerbaijan Province were identified with the goal of increasing performance (Haghighinasab et al. 2013).

A study was carried out on the innovation of Iranian SMEs using an analytic network process (ANP) method among several university professors which prioritized the factors affecting innovation (Talebi et al. 2012).

Another study worked on conceptualizing a model for accepting e-commerce in firms. The researchers used a number of models, including the TPB and technology acceptance model (TAM) to study several family-run small enterprises in Iran (Jamali et al. 2015).

A study used the TPB to evaluate information management strategies in Fars Province among manufacturers, constructors, utility providers, telecom companies, and distribution and transportation service providers (Abounajmi, Gharleghia, Samadi, & Norizan, 2015).

In most of these studies, the emphasis is on the policies of SMEs and not the entrepreneurs. There is, indeed, a relationship between the development policies of SMEs and entrepreneurship, but they have

different logics and objectives and, consequently, use different methods.

In a study conducted to determine the relationship of the employees' competence with their performance, the selected employees were evaluated using the Assessment Center procedure (in terms of personality compatibility, schema compatibility, emotional intelligence, creativity, analytical thinking, communication skills, leadership skills, planning skills, decision-making, and team work) and 360-degree Performance Appraisal (monitoring, division of tasks, team building, creativity, cohesion, goal setting, planning, and decision-making). The results indicated that employees who achieved higher scores in the Assessment Center procedure also displayed better organizational performance (Hosseini et al. 2018). Despite evaluating a range of personal competencies and abilities, this study does not take the employees' motivation, beliefs, and behavior into consideration.

The aspiration for growth has been investigated based on the personality traits of SME managers, work environment properties, and the business features of SMEs active in the field of exports. The results indicate that managers with a high level of education, experience, and leadership skills in an optimal environment, more risk-taking, and better human and social capital have had stronger willingness and aspiration to grow. Moreover, the environment factor appeared to be much more influential (Hanifzadeh et al. 2018). This study does not take into account the entrepreneur's motivations and beliefs into account.

As may be seen in the review of literature, the role of entrepreneurs' attitudes, subjective norms, and PBC on the growth of firms in the electric power industry of Iran has never been investigated thus far.

3. Methodology

Research methods in behavioral sciences have often been categorized based on two criteria: research objective and nature of data (Sarmad, Bazargan, & Hejazi, 1999). Some have proposed data collection technique as a third criterion (Hafeznia 1999). Others consider R&D (research and development) to be the third criterion, defining it as adopting the scientific method for something beyond what is being studied and with the goal of determining whether a science or method

is suitable to a specific purpose (Tavallaei 2014). Therefore, in order to identify the attitudes, subjective norms, and PBC, and the relationship between these three variables with the growth of firms based on the entrepreneurs' experience, it was decided that the data should be collected using field research i.e. interviews with a small, non-random sample of participants. Thus, the data collection method in this study has all the hallmarks of qualitative research.

In the next stage, the resulted qualitative variables needed to be weighted i.e. given numerical values in order that their effect on organizational growth would become measurable and predictable. To this end, a set of precise, meaningful numbers were generated from a large, random sample using questionnaires and computer software. The data analysis method in this study, then, is in accordance with the framework of quantitative research (Newman, & Ridenour, 1998). In order to assign values to variables in data collection tools, we use measurement levels, or scales, which have been classified as nominal, ordinal, interval, and ratio scales. Each measurement scale is suitable for a specific usage type and in this study, given the nature of the data on the participants' subjective norms and intentions, we decided to use the nominal scale arranged in a Likert spectrum. Based on the definitions above, this study is applied, or developmental, in terms of purpose and descriptive in terms of data collection. Given the nature of the data, our research method is qualitative in the first stage and quantitative in the second stage. Furthermore, an integrated model was employed so as to compensate for the shortcomings of the two methods.

To select the participating managers, the researchers reviewed the performance of several successful firms and renowned entrepreneurs in the electric power industry based on indicators such as annual turnover, area of factories, experience in the industry, number of personnel, and number of subsidiary companies. Based on the scores gained by the reviewed managers, a ranking was made and the researchers contacted the top 20 highest-scoring managers to request that they participate in this study. Following a two-month negotiation, the researchers acquired permission to have face-to-face interviews with 8 of the aforementioned 20 managers, while a ninth manager permitted the use of one of his past interviews which was highly relevant to the subject of this study.

After data saturation was achieved and the sampling phase ended, the researchers transcribed the recorded interviews and then analyzed the content of the transcripts using quantitative, structural, and interpretative approaches. In this stage, a total of 42 concepts were extracted from the 9 interviews, out of which 18 concepts had a higher frequency distribution than 5 and were thus selected as the final research indicators. The selected concepts are detailed in Table 1:

Table 1. Concepts extracted from interviews in order of frequency distribution

No.	TPB-based structuring	Extracted concepts	Frequency distribution
1		Job selection based on personal interests, market trends, and potential financial gain	8
2		Work experience and knowledge	8
3		Personal ability based on grades received as a university student	7
4	Attitude and motivation	Level of independence in work	7
5		Level of pragmatism and result-driven	6
6		Social skills and ability to read personalities and interact effectively with others	5
7		Commitment to honoring promises and taking responsibility	5
8		Openness to systemic learning and collective thinking	5
9		Earning customer satisfaction and trust	9
10	Subjective norms	Belief in importance of family for establishment and growth of firm	6
11		Belief in importance of friends and allies for growth of firm	5
12		Considering financial growth, increasing workload, increasing number of employees, renovating machinery and equipment, and developing new products as growth indicators	9
13		Cultural problems as obstacles to growth	8
14	Perceived behavioral control	Importance of learning about asset and tax management, social security, customs, import and clearance, accounting, cheque regulations, sponsorships, and loans	7
15		Importance of attention to export potential	7
16		Banks' failure to guarantee payments as a significant obstacle to growth	6
17		Importance of advertising and employee training	6
18		Importance of international relations and foreign investment	6

After extracting the concepts and testing the theory by focusing on quantities of the random samples obtained from the questionnaires and statistical analysis, the second stage of the study, as an applied and quantitative study, was undertaken. The data collection tool in this study was a questionnaire which allowed the respondents to express their opinion through a 7- point Likert scale (*strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*). Ajzen's questionnaire was used as an example to construct a valid questionnaire regarding the TPB based on the concepts extracted from interviews with successful entrepreneurs. The questionnaire, comprising 55 multiple-choice questions plus a descriptive one, was distributed among about 200 SMEs in the Electric Industry Syndicate of Iran and about 80 SMEs in the Electrical Panel Makers Association of Iran. It took the researchers four months to receive all the filled-out questionnaires and to collect the required data. Next, given the existence of the hypothesis (Ranjbar, Salsali, Khoshdel, & Soleimani, 2012), the researchers applied the confirmatory factor analysis (CFA) and used the software SmartPLS v2.0 which performs the structural equation modeling (SEM) using a partial least square (PLS) method. SmartPLS is widely considered to be one of the best software applications for computing small-size non-normal data (Seyyed Abbaszadeh, Amani, Khazri, & Pashavi, 2011).

4. Findings

In order to select suitable statistical tests for data analysis, the first step was to evaluate the distribution of scores among the sample population. This is due to the fact that normalized distribution of scores is a necessity when employing parametric statistics; otherwise, nonparametric methods must be used (Hojjati 2017). Data evaluations showed that the data were not distributed normally and it was not possible to use parametric statistical tests for subsequent analyses. Moreover, given the choice of the TPB as the theoretical basis of this study, the research model had a pre-determined framework and this allowed us to use the SEM approach and PLS method. Using the SEM, the software SmartPLS v2.0 can perform two groups of analyses: a) measurement model evaluation and b) structural model

evaluation. According to Hulland (1999), the efficacy of a measurement model should be evaluated from three aspects: a) reliability of the constructs, b) convergent validity, and c) discriminant validity. The minimum sample size to execute the SEM in factor analysis should be 10 times more than the number of observed variables in the construct that has the highest number of variables (Foltz et al. 2016; Haines et al. 2007). On this basis, since the number of participants was 50, none of the constructs of the initial model could have more than 5 observed variables (Hojjati 2017). Hence, 5 observed variables which, from the participants' point of view, had achieved the highest scores were selected to represent each construct. Therefore, in this analysis, attitude variables are represented as Att., subjective norm variables as Norm, and perceived behavior control variables as PBC.

4.1. Ranking of Model Variables

Given that the observed variables were not distributed normally, it was not possible to use numerical mean functions to determine their relative priority. An efficient alternative method for this purpose is the Friedman variance analysis approach. The Friedman variance analysis was executed to rank the variables of the attitude, norm, and behavior control constructs. The results had significance levels between 0.00 and 0.05 which led to the identification of the following variables of attitude, subjective norm, and behavioral control constructs as follows (Hojjati 2017):

Att19, Att25, Att28, Att31, Att32; Norm2, Norm5, Norm6, Norm8, Norm9; PBC1, PBC2, PBC6, PBC12, PBC14

The test model was evaluated based on factor loadings and all the constructs with factor loadings lower than 0.4 were eliminated and the model was re-tested (Abdi 2003). To test the reliability of constructs, the composite reliability index was evaluated. The acceptable minimum for this index is 0.7. Table 2 details the results of the initial test on the factor loadings of the variables as well as the composite reliability index.

Table 2. Factor loadings of the constructs in the initial model

Construct	Variable	Factor loading	Composite reliability
Attitude	Att19	0.537	0.768
	Att25	0.507	
	Att28	0.647	
	Att31	0.736	
	Att32	0.719	
Perceived behavioral control	PBC1	0.640	0.793
	PBC2	0.794	
	PBC6	0.579	
	PBC12	0.491	
	PBC14	0.770	
Norm	Norm2	0.254	0.654
	Norm5	0.543	
	Norm6	0.672	
	Norm8	0.556	
	Norm9	0.569	

Next, convergent validity was assessed. Convergent validity is a parameter which indicates the extent to which a variance is common among the observed variables in a construct (Shaabani et al. 2011) and is assessed by the average variance extracted (AVE). The minimum acceptable value for this parameter is 0.5 or 50% (Schalles et al. 2011). Table 3 lists the values of convergent validity for the three constructs of the initial model:

Table 3. Convergent validity of initial model's constructs

Construct	AVE
Attitude	0.404
PBC	0.442
Norm	0.289

Discriminant validity was assessed by comparing the mean square root of the extracted variance for each construct with the correlation of that construct with the other ones. The results are presented in Table 4:

Table 4. Discriminant validity of initial model's constructs

Construct	Attitude	PBC	Norms
Attitude	0.636	-	-
PBC	0.485	0.665	-
Norm	0.550	0.404	0.537

Evaluating the initial model showed that the indicators were not optimal in terms of construct reliability, convergent validity, and discriminant validity, especially when it came to subjective norms. Therefore, it was clear that the model required modification and improvement. To do so, variables whose factor loading was less than 0.4 or whose presence, for whatever reason, critically reduced the validity and reliability of the model were eliminated.

4.2. Final CFA Model
After applying the aforementioned modifications and optimizing the initial model, it was re-evaluated and the final model was obtained. The results are detailed in Table 5:

Table 5. Reliability of constructs and variables in final model

Construct	Variable	Factor loading	t-Value	Composite reliability
Attitude	Att28	0.654	7.846	0.809
	Att31	0.784	12.234	
	Att32	0.851	21.503	
PBC	PBC1	0.655	7.311	0.808
	PBC2	0.851	14.166	
	PBC6	0.580	4.059	
	PBC14	0.765	10.423	
Norm	Norm5	0.684	2.785	0.722
	Norm6	0.759	3.411	

Considering that the factor loading of all the final model's variables were greater than 0.4 and the composite reliability indices for all constructs were greater than 0.7, the reliability of the constructs and variables were successfully verified. Tables 6 and 7 elaborate on the values of the final model's convergent and discriminant validity. Since the AVE indices of all constructs were greater than 0.5, the convergent validity of the final model was verified. Moreover, the

square root AVE of each construct was greater than the correlation of that construct with the other two; therefore, the discriminant validity of the constructs was also verified.

Table 6. Convergent validity of final model's constructs

Construct	AVE
Attitude	0.589
PBC	0.519
Norm	0.523

Table 7. Discriminant validity of final model's constructs

Construct	Attitude	PBC	Norms
Attitude	0.767	-	-
PBC	0.513	0.720	-
Norm	0.467	0.318	0.723

4.3. Highest Factor Loadings of the Constructs

In terms of the attitude construct, the highest factor loadings belonged to Att32, Att31, and Att28, respectively.

- Att32: "I believe that in order to succeed in this business and get the company to grow more than the competitors, it is essential that every company determine its competitive advantages and strengthen them even further."
- Att31: "I believe company managers must be responsible individuals, be fairly knowledgeable about every aspect of their work, and have a reputation for honoring their word."
- Att28: "I believe only companies whose board of directors consists of people with strong commercial, technical, public relations, analytical, and judgment skills can succeed."
- In terms of subjective norms, the highest factor loadings belonged to Norm6 and Norm5, respectively.
- Norm6: "I do everything I can to earn the customers' trust by providing authentic and quality products along with equally good after-sales services. Customers' positive opinion of our work is the most important thing."

- Norm5: "In Iran, friendships do what teamwork does in other parts of the world and have a significant role in effecting and evaluation of growth."
- In terms of PBC, the highest factor loadings belonged to PBCl2, PBC14, PBC1, and PBC6, respectively.
- PBC2: "Before starting a company, there must be complete agreement and harmony among the founding members in terms of ideas as well as the identity and objectives of the company."
- PBC14: "I believe that in order to prevent disagreements and conflicts in a company that is to be started by multiple partners, all founding members must be properly educated about the principles of teamwork, collective decision-making, and systemic thinking."
- PBC1: "If I had undergone proper training to learn about asset management, tax solutions, social security regulations, accounting and auditing, ways of securing sponsorships and loans, foreign exchange and cheque regulations, customs and import/export clearance, contract laws, and bankruptcy options and prevention, I believe I could have performed better from the beginning and grown faster."
- PBC6: "I never act impulsively or expose my company to irrational risks; rather, I always think over the dangers and consequences of every move and consult all my partners before making any decision."

4.4. Graph of the Final Model
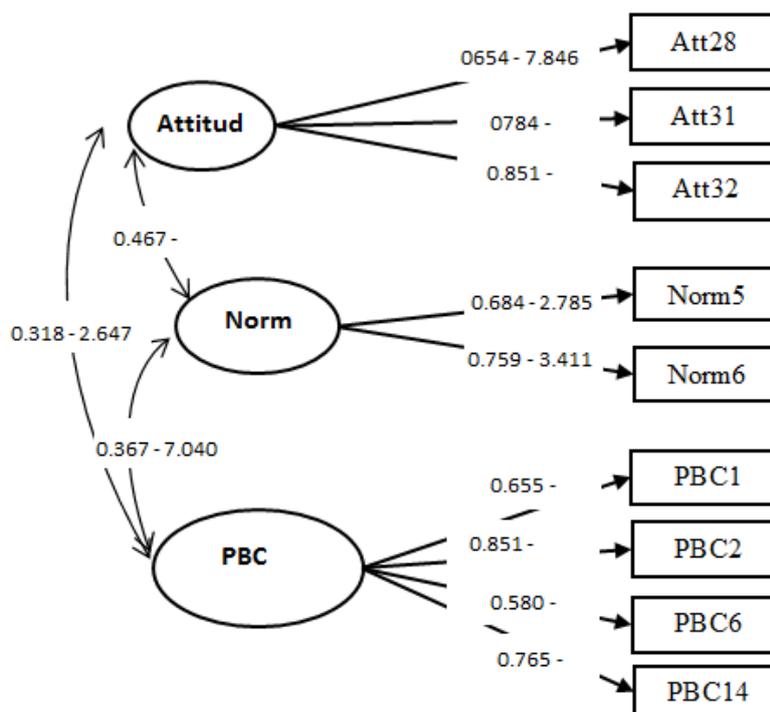The figure below presents a graphic illustration of the final CFA model:

Fig. 1. Graph of the final model

5. Discussion and Conclusion

The present study is the first of its kind to investigate the role of entrepreneurs as influential individuals on the growth of their respective firms without taking any external factors into consideration. In other words, the authors attempt to examine the impact of the entrepreneurial policies, motivations, attitudes, beliefs, and perceived behavioral control of Iranian entrepreneurs on the growth of firms, all at the same time. For the first time in this field, interviews were conducted with successful managers and entrepreneurs in the Electrical Industry Syndicate and Electrical Panel Makers Association of Iran, using which the authors managed to extract and make a list of the mental characteristics of these individuals. A comparison between the findings of this study and other studies in the literature points to a number of observations which will be mentioned below. Gashi and Kume (2017)

do investigate the role of the entrepreneur, but they neither focus on the mindset and thoughts of the entrepreneur, nor examine whether the entrepreneurs' attitude, norms, and behaviors may affect the success of their businesses. Wibowo et al. (2019) only consider motivation as an indicator of the TPB without measuring its impact on organizational growth, while they also disregard other similar indicators. Reddy et al. (2019) examine the effect of the TPB as well as age and sex on the entrepreneurial intentions of construction workers; however, they do not study the role of the entrepreneur as an individual or the effect of the TPB on the growth of firms. Zeb et al. (2019) concentrate on personality and motivation, while Urban (2019) points to entrepreneurial alertness, among other traits, as a factor that encourages individuals to use the TPB for engaging in investment opportunities without assessing the impact of these indicators on the growth of firm. Alam et al. (2019) study the impact of entrepreneurial motivation on entrepreneurial intentions and behavior in Pakistani students, but overlook the other elements and TPB indicators and their tangible impact on the growth of firms. Finally, Hosseini et al. (2018), Hanifzadeh et al. (2018), and Davari et al. (2018) have sought the opinion of successful Iranian entrepreneurs, while they fail to consider all TPB indicators or their impact on the growth of firms. Moreover, the authors have not examined a wide range of SMEs in the electric power industry such as manufacturers, contractors, and commercial firms.

This study, however, was carried out with the principal goal of investigating the TPB indicators in entrepreneurs and their impact on the growth of SMEs in the electric power industry of Iran. The sample population was selected from among SME managers in the Electrical Industry Syndicate and Electrical Panel Makers Association of Iran and achieved compelling results with regards to indicators of motivation, attitude, PBC, and subjective norms in entrepreneurs. In response to the first research question, the authors succeeded in identifying the motivations, attitudes, and behaviors of several successful managers in the electric power industry of Iran. It was found that said entrepreneurs decided to start their firms driven by personal motives such as financial gain and independence; relying on their own knowledge, experience, and correct evaluation of market trends; believing in subjective norms such as earning the customers'

trust and maintaining their satisfaction; and finally, by depending on the support of their families. The entrepreneurs then achieved growth in their firms by relying on financial resources and loans provided by banks, advertisement, establishing foreign relations, and export of goods. The results of applying quantitative analysis on the transcripts of interviews with the selected entrepreneurs contained the answers to the second and third research questions. That is, the managers did, in fact, make unconscious use of TPB indicators and this positively affected the growth of their respective firms. The results of CFA and SEM affirmed the results of quantitative analysis and combining these experiences with the model introduced by Ajzen led to the obtention of other indicators. Discovering and strengthening the competitive advantages of one's firm; having a sense of commitment and responsibility; importance of forming a harmonious and knowledgeable board of directors; strong social, analytical, and judgment skills; and finally, establishing effective friendships and partnerships were growth indicators obtained from the statistical analysis of the returned questionnaires. In terms of PBC, cohesion, and harmony of the board of directors as well as the importance of learning about asset management, social security, bank loans, customs and clearance, foreign exchange and export, cheque regulations, and avoiding irrational risks were pointed out by the respondents as what shapes the organizational behavior of entrepreneurs, helps them anticipate potential complications, and think of solutions before the occurrence of problems. This study demonstrated the types of behavior that successful managers in the electric power industry of Iran have exhibited over the years to achieve their current success and growth. These characteristics, approaches, and behaviors may be regarded as a valuable summary of the collective experiences of successful leaders who have faced all sorts of problems over the years, found solutions to overcome them, and paved the way for the sustained growth of their businesses.

It seems as if the reason why many co-owners begin to have serious conflicts lies in the fact that they did not get to know each other properly before starting their joint business and, because of this lack of understanding, may soon discover that they disagree over the very nature and purpose of the work. In most cases, the conflicts appear

after the firm has overcome initial difficulties and gone through a period of relative growth. The conflicts may get to a point where continuing the partnership becomes virtually impossible and there remains no way but to part ways or dissolve the firm altogether. Clearly, even if the co-owners only part ways and the actual dissolution does not occur, the change will still negatively affect the growth of the firm. Even if the partners start their business in a state of absolute agreement, once the firm begins to turn a profit, they may find that they disagree about how to sustain and accelerate the newfound growth, or about what the next steps should be in the firm's development. Therefore, potential partners must discuss these issues even before starting the business, as neglecting such discussions may later hamper the growth of the firm.

Another type of conflict surfaces when, despite agreement over the purpose and methods, the partners are unfamiliar with the principles of teamwork and systemic thinking. This may be either due to a lack of mutual understanding or inadequate education in this regard. Joint businesses that require teamwork often lead to complicated situations in Iran. Failure to communicate properly, shyness to speak out, or the fear of offending one's partner and thereby tainting or losing the friendship are some of the reasons cited for these problems. Individuals often do not know the appropriate way to express their reservations, problems, personal beliefs, impressions, or viewpoints, and have not been taught the principles of systemic thinking or dispute resolution techniques. As a result, for instance, once a vote has been taken in the board of directors, some members oppose the outcome without expressing their disagreement prior to it. This leads to situations where those who failed to express their opinion when they could often shirk from responsibility and find faults with others in times of difficulty. Therefore, learning the principles of teamwork and systemic thinking, ways of dealing with problems and disputes, and ensuring that all members support collective decisions in spite of their disagreement are all necessary for potential entrepreneurs and help the growth of firms.

Furthermore, all partners should have an equal tendency toward taking risks. Having dissimilar stances toward risk-taking, which manifests itself in the partners' disagreement over a potentially risky

decision that could pay dividends to the firm, may also lead to conflicts within the board. Partners should be aware that misguided or reckless decisions may even push the firm toward bankruptcy.

Based on the findings of this study, it can be posited that education and relevant training are the most essential components contributing to growth. Unfortunately, there are too many respectable entrepreneurs who work hard and willingly accept the risks associated with their business to create jobs and generate wealth, but their lack of academic knowledge, training, and planning over various aspects of their work propels them toward failure, losses, and ultimately, bankruptcy.

Finally, in terms of PBC, the cohesion and harmony among the board of directors, proper training, knowledge and skill, and risk prevention were emphasized by the majority of respondents. On this basis, while confirming the positive impact of the TPB indicators on the entrepreneurs' performance, the indicators were found to help achieve and accelerate growth in firms. This indicates that the interviewed entrepreneurs can be looked upon as role models by aspiring young entrepreneurs who feel the need to combine the experiences and methods of successful Iranian managers with the latest scientific models on organizational behavior in order to achieve success and growth.

5.1. Implications

A small firm comes into existence when a single entrepreneur or a number of co-owners start a business. At the beginning, selecting the field of activity, having sufficient personal interest, and gathering a united group of partners specializing in technical, financial, commercial, public relation, and market analysis helps set the firm on the path to growth. It is recommended that before founding a firm, the entrepreneur learn sufficiently about asset management, social security considerations, cheque regulations, foreign exchange and customs, loans, and accounting in order to be well-prepared along the way and achieve sustained growth.

5.2. Suggestions for Future Research

Given the importance of the TPB in the growth of firms, it is suggested that this theory and its indicators be investigated in other

Iranian industries and with larger statistical populations and survey respondents. The experience of conducting interviews in this study demonstrates that the majority of successful electric power industry managers have somewhat the same attitudes and motivations and believe in the same norms; however, each of these individuals also possesses unique abilities, characteristics, and approaches, identifying which could considerably help complement the findings of the present study. Thus, it is recommended that successful managers in other fields and industries also be interviewed in order to make their knowledge and experiences available to aspiring entrepreneurs.

References

Abounajmi, M., Gharleghia, B., Samadi, B., & Norizan A. M. (2015). MIS strategy and its influence on the SMEs. *Journal of Management*, *6*(2), 214-228.

Alam, M. Z., Kousar Sh., & Abdul Rehman, Ch.. (2019). Role of entrepreneurial motivation on entrepreneurial intentions and behavior: Theory of planned behavior extension on engineering students in Pakistan. *Journal of Global Entrepreneurship Research*, 9 (1), 1-20.

Chang, M. K. (1998). Predicting unethical behavior: A comparison of the theory of reasoned action and the theory of planned behavior. *J. Bus. Ethics*, *17* (16), 1-10.

Davari, A., Ramezanpour N., Afrasibi, R., & Davari, E. (2018). Impact of entrepreneurial policies and business environment on entrepreneurship development. *Journal of Entrepreneurship Development*, *11*(2), 321-339 (In Persian).

Gashi, S., & Kume, V. (2017). *Barriers to the growth of small businesses in Kosovo*. Doctoral dissertation, University 'St. Kliment Ohridski-Bitola', Faculty of economics.1-224.

Hafeznia, M. R. (1999). *Introduction to research in humanities*. Tehran: SAMT Publications (In Persian).

Hanifzadeh, F., Talebi, K., & Sajadi, M. (2018). The Analysis of effect of aspiration to growth of managers for SMEs growth (Case study: Exporting manufacturing SMEs in Iran). *Journal of entrepreneurship in Emerging Economies. 10 (2)*, 277-301.

Hojjati, F. (2017). Statistical population and statistical sample. Retrieved from http://toptahlil.com (In Persian).

Hosseini, S. Y., Arman, M., & Mohammadizadeh, Z. (2018). Competency and its relationship with performance. *Management Studies in Development and Evolution*, *27*(88), 25-50.

Hulland, J. (1999). Use of partial least squares (PLS) on strategic management research: A review of four recent studies. *Strategic Management Journal*, *20*(2), 195-204.

Jamali, S. K., Govindan, M., Khazaei, Behrang, M., Samadi, B., & Yong Gull Fie, D. (2015). Conceptualizing model of factors influencing electronic commerce adoption in Iranian family

SMEs. *International of Business and social science. 6 (2),206-221.*

Newman, I., & Ridenour, C. (1998). *Qualitative-quantitative research methodology: Exploring the interactive continuum.* Ohio (USA). Educational Leadership Faculty Publications.

Ranjbar, H. A., Salsali, M., Khoshdel, A., & Soleimani, M. A. B., N. (2012). Sampling in qualitative research: A guide to getting started. *Journal of Army University of Medical Sciences of Iran*, *10*(3), 238-250.

Reddy, R. R., Viney, M., & Venkateswarlu, P. (2019). Analysis of determinants of entrepreneurial intentions among construction workers. *Theoretical Economics Letters*, *9*(1), 296-307.

Sarmad, Z., Bazargan, A., & Hejazi, A. (1999). *Methods in research in behavioral sciences (2nd Ed).* Tehran: Agah Publishing (in Persian).

Seyyed Abbaszadeh, M., Amani, J., Khazri, H., & Pashavi, Q. (2011). *Introduction to structural education modeling with PLS.* Urmia: Urmia University Publications (In Persian).

Tajeddini, K., & Nikdavoodi, J. N. (2014) Cosmetic buying behavior: Examining the effective factors, *Journal of Global Scholars of Marketing Science*, *24*(4), 395-410.

Tajeddini, K., & Mueller. S. L. (2012) Corporate entrepreneurship in Switzerland: Evidence from a case study of Swiss watch manufacturers. *International Entrepreneurship and Management Journal*, *8*(3), 355-372.

Tajeddini, K., & Mueller, S. L. (2019). Moderating effect of environmental dynamism on the relationship between a firm's entrepreneurial orientation and financial performance. *Entrepreneurship Research Journal*, *9*(1), 1-13.

Tavallaei, R. (2014). *Advanced research methodology (with emphasis on information technology).* Shahid Beheshti University. (In Persian).

Urban, B. (2019). Academic entrepreneurship: A focus on entrepreneurial alertness, attitudes, norms and beliefs. *South African Journal of Higher Education*, *33*(3), 192- 204.

Vichayanrat, T., Sudha, K., Kumthanom, K., Apisuttisin, J., Uawatanasakul, N., & Ariyakieatsakul, Y. (2018). What factors

influence mothers' behavior regarding control of their children's sugary snack intake? An application of the Theory of Planned Behavior. *International Dental Journal, 68*(5), 336-343.

Whitley, R. (1992). *European business systems: Firms and markets in their national contexts*. London: SAGE.

Wibowo, S. F., Suhud, U., & Wibowo, A. (2019). Competing extended TPB models in predicting entrepreneurial intentions: What is the role of motivation? *Academy of Entrepreneurship Journal*, *25*(1), 1-12.

Wiklund, J. & Shepherd, D. A., & (2005). *Entrepreneurial Small Businesses: A Resource-based Perspective*. Edward Elgar Publishing Limited in Northampton, Massachusetts.

Wilbourn, M., Salamonson, Y., Ramjan, L., & Chang, S. (2018). Development and psychometric testing of the attitudes, subjective norms, perceived behavioral control, and intention to pursue a career in mental health nursing scale. *International Journal of Mental Health Nursing, 27*(1), 72-81.

Zampetakis, L. A., Lerakis, M., Kafetsios, K., & Moustakis, V. S. (2016). The moderating role of anticipated affective ambivalence in the formation of entrepreneurial intentions. *International Entrepreneurship and Management Journal*, *12*(3), 815-838.

Zeb, N., Sajid, M. A., & Igbal, Z. (2019). Impact of individual factors on women entrepreneurial intentions: With mediating role of innovation and interactive effect of entrepreneurial self-efficacy. *Journal of the Research Society of Pakistan*, *56*(2), 89-103.

Zoellner, J. M., Porter, K. J., Chen, Y., Hedrick, V. E., You, W., Hickman, M., & Estabrooks, P. A. (2017). Predicting sugar-sweetened behaviors with theory of planned behavior constructs. *Psychology & Health*, *32*(5), 509-529.