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EXAMINE THE RELATIONSHIP BETWEEN INNOVATION AND PERFORMANCE IN THE SPORT CLOTHES PRODUCTION CORPORATION

Terife Payami¹, *Korosh Veisi² and Mozaffar Yektayar²

¹*Department of Physical Education and Sport Science, Kurdistan Science and Research Branch, Islamic Azad University, Sanandaj, Iran*

²*Department of Physical Education and Sport Science, Sanandaj Branch, Islamic Azad University, Sanandaj, Iran*

** Author for Correspondence*

ABSTRACT

The purpose of this research was to examine the relationship between innovation and performance in the sport clothes production corporation in Tehran city, which was performed under a descriptive-correlative method. The population of this research includes the sport clothes production corporation which a number of 260 production managers, marketing managers and sales managers were selected as the sample through the Cochran's formula. For the purpose of data collection, Choopani's questionnaire of organizational innovation and Kaplan & Norton's questionnaire of organizational performance were used. The validity of questionnaires was approved by expert professors. Also their reliability was determined through Cronbach's alpha. For the purpose of analysis of data, the tests of Kolmogorov- Smirnov, one sample t-test, Pearson's correlation, simple regression and multivariate regression were employed. Results indicated that in the sport clothes Production Corporation have a good condition in terms of innovation and also their performance is in a desirable state. There exists a weak meaningful relationship between innovation and performance in the sport clothes production corporation.

Keywords: *Innovation, Performance, Sports Marketing, Sports Products*

INTRODUCTION

With the advent of the third millennium and the age of knowledge and innovation research and Knowledge organizations have been formed which their survival and maintain their competitive advantages in the long term is depending on innovation and design and development of new products. Also due to the shortening of life cycle in these organizations, innovation and development of new products has a key role in existence and continue of life of these organizations.

Innovation is the implementing new ideas which come from creativity. Innovation is the equivalent of invent by the meaning of management experts. And they believe that the innovation is the final process of creativity and in other words it is the outer appearance of it which is appeared as a novel and new product. According to them what makes innovation is the individual creativity of the person which leads him to make innovation in works and production (Zarghami *et al.*, 2012). Thus innovation in the sports can be defined as creating appropriate environmental opportunities along with implementing creative and qualified manpower for getting ideas and comments of people then using these ideas for designing required policies and new programs for improve the level of health and sports competition between members of society. With this process either new fields will be created in sports of our country or economic benefits arising from its components will further contribute to this section (Zamani, 2003).

Innovation and the capacity for implementing innovation is the determining factor in achieving superior performance of the organization. Results of Rosebush *et al.*, (2011) indicated that factors such as age of the firm, kind of innovation, and cultural contexts of innovation affecting the performance of the organization. Also results of Hasanzade showed that there is a positive and meaningful relationship between components of management knowledge and innovation and performance of the organization (quoted from Molla and Barkhordari, 2007). Shami in investigating effect of innovation and organizational learning on the organizational performance in Tavanir company concluded that today's

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world especially the world of organizations has undergone profound and ongoing changes and all aspects of the organization from the internal environment to the external environment, from human factors to non human factors all of them changing rapidly. In such conditions organizations are trying for survival. And to be able to maintain themselves in surrounding socially tumultuous environment continually are go out from the dynamic forms and move toward learning development and creating an learner organization. Learning organization causes to foster new and extensive patterns and individuals continually learning how they can learn with each other.

Organizations with such characteristics due to encouraging innovation, acquiring knowledge and development of capabilities, receiving signals from the environment, interpret them and apply them in the opportunities. This can have a significant role on their performance (quoted from Zarghami *et al.*, 2012). Companies which work with greater capacities for innovation are development their capabilities that causes to acquiring sustainable competitive advantage and greater capacities of innovation which resulting in superior performance (Molla and Barkhordari, 2007). Organizational performance is one of the most important discussions in management researches. And with no doubt is the most important measure of the success of businesses (Zarehi *et al.*, 2010).

Performance measurement is one of the activities accompanied with many advantages and in correctly performing it can have significant positive impact on performance of the organization. The importance of measuring performance of marketing is in such a way that science marketing Association, assessing Marketing Productivity, marketing efficiency and performance measurement criteria all introduced the marketing as the most important research priorities in the recent years. The lack or at least lack of marketing accountability of senior managers in the compromised companies or even the existence of marketing as separate power inside the company may endanger the company. It is hoped that the role of organizational innovation and their relationship with performance can rise as a topic in order to growth and position of sports industry. Thus according to discussed topics, this research is searching for finding the answer of this question What is the relationship between innovation and performance in the sport clothes production corporation?

MATERIALS AND METHODS

The method of the research according to the research subject and objectives is correlation and descriptive and in terms of using results is practical and data collection is done as field. The data population consists of all sport clothes production corporation which production managers, Sales managers and marketing managers were responsible for completion of questionnaires. Seventy of production managers, seventy of marketing managers and seventy of sales managers totally 210 people were selected. And available sampling method was used. The questionnaire was used for data collection. For this purpose for measuring organizational innovation Chopany (2012) questionnaire which consists of 17 items were used and valid questionnaire of Kaplan and Norton 2004 which also consists of 17 items were used for measuring performance. The validity of the questionnaire was confirmed by experts and professors and supervisor advisors. The reliability of the questionnaire was confirmed by Cronbach's alpha. Cronbach's alpha of each questionnaire showed in Table 1. Parametric tests such as T single sample, Pearson correlation coefficient, simple regression and multiple regressions were used for data analyzing and finally SPSS software 21 versions were used for analysis statistical tests.

Table 1: Results of Cronbach's alpha test

Index	Cronbach's alpha coefficients	Index	Cronbach's alpha coefficients
Productive Innovation	0/69	Financial Fund	0/86
Productive Innovation	0/80	Customer fund	0/91
Office innovation	0/83	Internal processes fund	0/79

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Growth and learning fund 0/83

RESULTS AND DISCUSSION

Results

The normality status of variables

Table 2: The normality status of variables

variable	number	Kolmogorov - Smirnov Z	Sig
Organizational innovation	210	0/726	0/668
Organizational performance	210	0/524	0/947

Results of table 2 and Kolmogorov – Smirnov test indicated that meaningful level for organizational innovation and organizational performance is more than 0/05 thus the zero hypotheses confirmed and opposite hypothesis is rejected. This means that we can say that by confidence of 95% which distribution of mentioned variables is normal.

Analysis of Research Hypothesis

First hypothesis: The amount of organizational innovation and its dimensions in sport clothes Production Corporation isn't in good condition.

Table 3: Organizational innovation status of sport clothes Production Corporation

variable	Standard deviation	average	sig	Freedom degree	The deviation of the mean	standard of the
Organizational innovation	0/232	2/85	0/001	209	0/016	

According to results (table3) sig<0.05 then the zero hypothesis in meaningful level $\alpha= 0/05$ is acceptable. According to obtained mean which is in average level we can say that the status of organizational innovation in sport clothes Production Corporation is in good condition.

Second hypothesis: The amount of organizational performance and its dimensions in the sports apparel manufacturing companies of Tehran city isn't in good condition.

Table 4: Assess organizational performance in the sport clothes production corporation

variable	Standard deviation	average	sig	Freedom degree	The deviation of the mean	standard of the
Organizational performance	4/52	2/73	0/001	209	0/016	

The results (table 4) sig<0.05 then the zero hypothesis in meaningful level $\alpha=0.05$ is acceptable. according to obtained results which is in average level we can say that organizational performance in the sport clothes production corporation is not in good condition.

Third hypothesis: there is no meaningful relationship between organizational innovations with organizational performance in the sport clothes production corporation.

Table 5: Relationship between organizational innovations with organizational performance in the sport clothes Production Corporation

Variable	Organizational innovation		Determination coefficient
	The correlation coefficient	Meaningful level	
Organizational performance	0/259	0/001	% 6/7

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According to results $\text{sig} < 0.05$ then zero hypothesis in the meaningful level $\alpha = 0.05$ is rejected. It means that there is a meaningful and weak relationship between organizational innovation and organizational performance in the sport clothes production corporation. Also determination coefficient is calculated as 6/7% of changes in the performance of manufacture companies of sport clothes production corporation. Fourth hypothesis: there is no meaningful relationship between components of organizational innovation in the sports apparel manufacturing companies of Tehran city.

Table 6: The relationship between the components of organizational innovation and organizational performance components

Variable		Productive innovation	Process innovation	Administrative innovation	Financial fund	Customer fund	Internal process fund	Growth and learning fund
Productive innovation	The correlation coefficient of Significance level	1	0/15* 0/022	0/09 0/174	0/03 0/637	0/05 0/410	-0/00 0/982	0/00 0/984
Processing innovation	The correlation coefficient of Significance level		1	0/026 0/711	0/029 0/679	0/140* 0/043	0/371** 0/000	0/126 0/894
Administrative innovation	The correlation coefficient of Significance level			1	-0/005 0/944	**0/210 0/002	-0/051 0/461	0/038 0/588
Financial fund	The correlation coefficient of Significance level				1	0/042 0/541	0/052 0/407	
Customer fund	The correlation coefficient of Significance level					1	0/016 /818	0/057 0/407
Internal process fund	The correlation coefficient of Significance level						1	0/005 0/938
Growth and learning fund	The correlation coefficient of Significance level							1

Results of table 6 indicated that there is a meaningful relationship between components of productive innovation and processing innovation which these relationships are in 0.1 and 0/05 meaningful. From the other hand there is no meaningful relationship between other productive innovations with other components.

Results of table 6 shows that there is meaningful relationship between components of processing innovation, customer fund and internal processes funds which these relationships are, meaningful in the significant levels of 0.01 and 0.05.

The most relationship is between processing innovation with internal processing funds. From the other hand there is no meaningful relationship between components of emotional intelligence with competition dimension.

Results of table 6 shows that there is a meaningful relationship between administrative innovation component and customer fund component which these relationships are meaningful in the significant

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levels of 0/01 and 0.05. From the other hand there is no meaningful relationship between components of administrative innovation with other mentioned components.

Fifth hypothesis: organizational innovation and their dimensions cannot forecast the amount of performance in the sport clothes production corporation.

Table 7: Forecasting organizational performance through organizational innovation

Model summary						
Mosel	Multiple correlation coefficient	Determination coefficient	R ²	Modified Determination coefficient	R ² adj	The standard of estimate error
1	0/34	0/11		0/10		0/227

Predictor variables:
 Organizational innovation, product innovation, process innovation, administrative innovation
 Dependant **variable: organizational performance**

Results of table 7 and the amount of multiple correlation coefficient indicates that there is meaningful relationship (R = 0/34) between organizational innovation and their aspects. From the other hand the amount of modified determination coefficient (R² adj = 0/10) shows that forecast 10 percent of total organizational performance changes in the sport clothes production corporation.

Table 8: Results of ANVA test

model	Total squares	Degree freedom	Mean squares	F	Sig
1	1/450	3			
Total left over	10/688	206	0/483	9/341	0/001
regression	12/138	209	0/052		

Results of table 8 shows that the amount of F test in the error level less than 0/01, is meaningful. It means that the research regression model composed of 4 forecast variable and a sample variable is a good model and the total of forecast variables are capable of explain variable of organizational performance in the sport clothes production corporation.

Table 9: Results of coefficients effects regression of forecast variables on the sample variable

Model	Forecast variables	Non standard coefficients		standard coefficients	t	sig
		B	Standard error	Beta		
1						
	Fix		0/195		10/932	0/000
	Organizational innovation	2/132	0/070	0/224	3/322	0/001
	Productive innovation	0/233	0/045	0/038	-0/574	0/567
	Processing innovation	-0/026	0/043	0/344	5/206	0/001
	Administrative innovation	0/222	0/040	0/058	0/890	0/374
	0	/035				

X3=processing innovation X2=productive innovation, X1= organizational innovation

X4=administrative innovation y= performance

$$Y = a_0 + a_1X_1 + a_2X_2 + a_3X_3 + e$$

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Results of table 9 indicates that the effects of organizational innovation and processing innovation on the organizational performance is meaningful. But the other variables have no meaningful effect on variable of organizational performance due to significant level of higher than 0/05.

Discussion and Conclusion

Innovation is a factor which creates opportunities by means of individuals for themselves or for organizations which they work for regardless of the resources that are in their control (Zarghami *et al.*, 2012). Results of T single test showed that organizational innovation in productive companies in Tehran is in a good condition. Since the successful companies for having power in marketing production and sales have to update their knowledge of production and capital are be consistent in with sales market. So, according to researcher one of the items which can be useful in the organizational such that all of the companies update the knowledge of their staffs with the modern knowledge to offer diverse and customaries products to customers. This can be achieved when innovation status of the companies be in a good condition. On the other hand economic situation of the country and sanctions can be reasons that would be in good and favorite level.

Performance includes whole behaviors which individuals would have in relation with their jobs (griffin, 1994). According to T single test organizational performance in productive companies in Tehran is in good condition. According to definition of performance the performance of company depended of individuals and also with behaviors and practices which they do. During last year's authorities of manufacturing companies have organized classes for their staffs as marketing classes. That according to researcher it is one of the reasons for which the performance is in medium and good condition. Results of Pearson test indicated that organizational innovation with performance innovation have meaningful relationship. According to obtained results in the above hypothesis we can say that if the performance is high it causes to innovation.

According to results of regression test there is relationship between component of productive innovation and processing innovation and it specifies the amount of changes. Also there is relationship between processing innovation component with components of customer fund and internal processes fund and to explain their changes which have no relationship with growth fund component and financial fund component and also there is meaningful relationship between administrative innovation with components of customer fund, growth and learning fund and internal process fund. Productive innovation is a tool for production (Ojasalo, 2008). According to definition for production tools must be provided. These tools could be everything or every activity for production. So we can say that all performed activities in the company and all machines which involved in the production have direct relationship. Innovation provides tools in order to maintain and improving quality and cost savings (James *et al.*, 2008). Companies are successful which have the best quality with less costs. With the introduction of foreign companies in the sports apparel market of Iran and providing better quality to the customers, the internal productive companies competed with foreign companies by enhancing quality of their products and this could be a reason for significant. Administrative innovation points to the procedures, policies and new organizational forms (James *et al.*, 2008). The companies are not progress with traditional and old procedures in the production market. With the progress of production science in our country and academic specialists and to Applying these expertise in manufacturing companies it could be effective.

Results of multiple regression indicated that components of organizational innovation variable and processing innovation component can properly forecast organizational performance in the productive companies. And it should be noted that productive innovation and administrative innovation components are not capable of forecasting organizational performance in the productive apparel companies in Tehran city.

According to the relationship of innovation with performance, the authorities of companies can by modeling from successful and strong companies and even inviting expertise of successful companies around the world and organizing classes for their staffs by means of this expertise, the companies can improve innovation. And according that they can improve their performance. Also productive apparel sports in Iran have used this pattern which could be one of the reasons for this modeling.

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