Law Vs Culture? Research on the Dilemmas and Countermeasures About the Innovation of Rural Grassroots Operation Organization—The Data of Sampling Survey is Based on the Characteristics of the Rural Grass-roots Organizations in Sichuan Province

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Abstract. Under the background of the mass entrepreneurship and innovation, with the development of the Internet, the infrastructures and the coordinated economy of urban and rural, the economy of rural has ushered in a new historical development opportunity. Through the analysis of the data and the arrangement of the literature review, we compared the characteristics of organization in low and high innovation degree in this paper. And the characteristic model of the innovation about the rural grass-roots management organization has been established, which provides many references for the development of the organizational innovation in the rural area.

Background

In the 19th National Congress of the Communist Party of China, comrade Jinping Xi reported that: "We must implement our conception of innovative development unswervingly and accelerate the construction of an innovative country. We must enhance the construction of national innovation system and the support for the small and medium-sized enterprises to innovate. We must carry out our plan to make the rural area proper, foster new types of agricultural businesses, support and encourage farmers to hunt a job or start businesses.

Innovation is the core ability for the companies to develop new products to apply to various innovative overall capability which caused by the market demanding. Its core elements include the skills of leadership and management, the ability of strategic coordination and the capabilities of process and organization[1][2]. This research is trying to build a characteristic model about the integrated rural grassroots organization based on the reference and absorption of existing research results. We adopted the questionnaire investigation method. Through the rural areas of Sichuan province enterprise field investigation, we put forward something about the feature model of rural innovative organization.

Theoretical Background, Research Model and Hypothesis

The improvement of the formalized organization law and the employees' behaviors which are limited by the enterprise's regulations and job descriptions is beneficial for the identification of the internal organization and the increasing of the innovation confidence. Formalized organization law is helpful to reduce the risk of innovation and the innovators’ distrust of the organizational environment. It is also helpful to enhance the innovator confidence and build an innovative organization atmosphere. The study of Zhihong Li[3] and others find that the innovation and fair atmosphere have an significant influence on knowledge sharing. In organizational atmosphere, the
organizational innovation atmosphere has a direct influence on organizational innovation, and the culture atmosphere of organization and innovation is conductive to improve the organizational innovation performance. In conclusion, this study proposed the following research hypothesis.

![Figure 1. Law VS Culture research hypothesis model.](image)

Contractual management as a kind of impersonal, legal and institutional control system can reduce the uncertainty of information asymmetry and behavior by supervising the implementation of trade both parties to inhibit the opportunism behavior[4]. If the degree of contractual management is too low, it means that there are not clear regulations about the detail cooperation and there is also not make handling strategies for some exceptional cases. Although one of partners disobey their contraction, there still do not have a clear punishment system to confine these behaviors or even do not exist. In order to avoid the behavior of involuntary spillover on knowledge and "free rider", the participants of the open innovation will deliberately hide their valuable knowledge and technology[5]. And the contractual management confines the behaviors by adjusting the constraining behavior of actors extrinsic motivation, while the relationship management is restrained by stimulating actors' intrinsic motivation[6]. Therefore, following assumptions:

- **H1a**: Positively relation between the organizational innovation and organization fidelity
- **H2b**: Institutional justice is beneficial to promote innovation
- **H1c**: The flexibility of organizational law affects the organizational innovation

Organizational reward incentive is an important factor to promote the innovation in organization[7][8]. George and Zhou[9] the study found that organization offered recognition and rewards, as a kind of resources can improve the work motivation, can effectively motivate staffs spontaneously product innovation behavior, when employees feel the organization support for innovation, will inspire its influence in the work to promote innovation, the opposite will hamper innovation. Reward and incentive policy of the organization is in terms of spiritual and material support for the organization staffs innovation. Manso[10] studies suggest long-term stock option can effectively relieve the managers about the fired or mergers and acquisitions, company worry about negative influence on its innovation, thus to some extent, its can enhance the level of managers' investment in innovation. Therefore, this study proposed the following assumptions:

- **H2a**: Policy incentives affect the generation of organizational innovation
- **H2b**: Positively related to enterprise organization and innovation
- **H2c**: Dividend incentive is advantageous to the organizational innovation

Work stress can play a role in organizational innovation, with researchers putting stress into challenging pressure and obstructive pressure. Challenging-obstructive pressure concept first put forward by Cavanaugh[11]etc. and according to the properties could be divided into challenging work pressure and obstructive two kinds. Pressure will bring pressure, but also can have a positive
impact on individuals, such as leads future growth and income, improve the work performance and inspire a sense of accomplishment. Obstructive pressure will create negative impact on individuals, such as employees work in the lower reduction and loyalty and cause the loss of job performance, which hinder the work target to achieve and individual growth[12]. Studies of creativity point out that motivation for the creation of innovative ideas and the implementation of the innovation behaviors play an important role. Work motivation into internal motivation and external motivation two parts, including external motivation by external factors (e.g., stress, rewards and punishments, etc.) of stimulation and form, and lack of internal motivation of innovation behavior has obvious affection[13]. By external positive stimulating employees tend to undertake the task of challenging, stimulating creative thinking and turn it into practice. Therefore, following assumptions:

H3a: Assessment of pressure promote organizational innovation
H3b: Psychological stress affects organizational innovation
H3c: Task pressure promote organizational innovation

Leadership role of organization innovation, different researchers have different points. On the one hand, the leadership affects organizational innovation in innovation responsibility, innovation resource integration and innovation strategy. Guiping Zhang[14]etc. think if leader willing to take on staff losses due to active innovation failure, so can reduce the pressure of staff innovation, thus greatly enhance the innovative ability of employees. On the other hand, some researchers think leadership of decentralization and more inclusive leaders can promote organization innovation more. Inclusive leadership and subordinates based on respect, recognition, response, and responsibility to complete tasks, and the pursuit of a win-win situation, therefore, more can stimulate the staff "high performance or work creatively" to return for organization. Second, inclusive leadership "accessibility" give employees a perception, of common touch, because employees don't have to worry about failure to show a more innovative behavior[15]. Guiyao Tang[16] think, authorization management will enhance the strength of human resource management have positive effect on employees' innovative behavior, small and medium-sized enterprises can inspire employees innovation behavior by authorization management .Therefore, following assumptions:

H4a: positively related to organizations authorized flat and organizational innovation
H4b: professional channel affect organizational innovation
H4c: Personal authority promote organizational innovation

A series of empirical research show that organizational innovation atmosphere has a promoting effect on organizational innovation performance[17]. Xin Lian[18] thought, organization innovation atmosphere can not only directly impact on individual innovation behavior, but also indirectly through the internal motivation to work, idea advocacy, resource security, the typical demonstration and authorization support for individual innovation behavior has significant positive influence, they are the key link for the construction of Chinese enterprise innovation atmosphere. Yun Wei[19]etc. thought, organization should pay attention to the organization culture construction and culture conducive to innovation to promote the staff innovation behavior and enhance the overall strength, the leadership and colleagues' support for employees to decide whether to show the innovation behavior has a significant effect. Therefore, this study proposed the following assumptions:

H5a: A unified organizational culture influence organizational innovation
H5b: Tolerant culture positively related to the organizational innovation
H5c: Innovation atmosphere to the benefit of organizational innovation
Empirical Research and Data Analysis

Data Source and Distribution

Questionnaire design. Questionnaire is divided into four parts; the first part is the actual data of enterprise innovation survey. The second part is the organization’s innovation present situation investigation. The third part is what influential factors of innovation are. The fourth part is to organize innovative ideas come from. These questionnaires with real information of investigators and ensure the validity of the questionnaire and authenticity.

Data collection. A total of 500 questionnaires investigation, actually take back 335. In actual retrieved questionnaire belongs to the rural areas and have 282 valid questionnaires.

The definition of rural grass-roots management organizations. This article refers to the rural grass-roots management organizations mainly refers to the rural areas with agriculture forestry and fishing industries related to individuals, cooperatives, or small businesses. Relatively slow development of China’s rural areas, the scale of the related enterprise also is relatively small.

Dependent variable. This research is mainly to "innovation quantity, innovation quality, innovation benefits" and so on three indicators as dependent variable be measured. Among them, innovation refers to technology innovation, management innovation and business model innovation.

Variable Reliability and Validity Analysis

<table>
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<tr>
<th></th>
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Organization innovation reward law, equity profit sharing incentive, organization democratic mandate flat structure, organization culture will be unified, organizational innovation atmosphere characteristic has a strong positive correlation between observed variables and the dependent variables, and can be seen clear organization law is flexible, the policy of government incentives, etc. negative correlation between observed variables and the dependent variables.

Comparative Analysis of Innovation Performance

Long-term holding more than 10 pieces of the characteristics and no pieces of the characteristics of the innovation get enterprise figures by innovation enterprise law justice, abide by the law, enterprise leadership personal authority and unified enterprise culture; The difference is long-term holding more than 10 pieces of the characteristics of the innovation enterprise figures are greatly
influenced by the reward law within the organization innovation, no pieces of the characteristics of the innovation enterprise figures by external government policy incentives.

Rural Enterprises and Urban Characteristic of Comparative Analysis

It is important to note that the city of enterprise innovation by organizations outside the government policy incentives is more, the rural enterprise innovation more affected by the reward law within the organization innovation. We found that the organization's profit sharing of equity incentive, factors such as work stress, vocational rising channel less has influence on the innovation of the rural and urban enterprises; rural enterprises lack of tolerance corporate culture.

The Conclusion and Prospect

The results showed that: In law, rural business organizations are not perfect enough in their existing innovative incentive law and is lack of profit sharing in equity incentives. Meanwhile, it is also lack of good system for professional growth and the direct position promotion for successful innovators. In organizational culture, although the majority of rural business organizations have a unified corporate culture, it is also lack of tolerant culture tolerate failure of innovators.

Countermeasures: From the comparative analysis, we can find that the rural grass-roots management organization, law and culture are inseparable. Therefore, the rural grass-roots management organizations should be established with a flexible cultural flat incentive law of Y, to strength the construction of enterprise culture, the incentive law of the enterprise, and promote enterprise flattening.

On the one hand, rural business organizations need to strengthen their own system culture construction. On the other hand, to strengthen the cultivation of corporate culture. This research also has certain limitation, that provides a direction for future research, the limitations of this study
is mainly in two aspects: first, the samples based on the rural areas of Sichuan province and operation organizations at the grass-roots level to study, region limit makes the applicability of the conclusion of this study has certain limitations, future research can collect more data samples. Second, the data of this study also has certain limitation, not very well in many ways, if you can collect more detailed data, will be more valuable results are obtained.

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Reference


