

# Surveying on the Relationship between Organizational Factors and the Success of New Dairy Products Development in the Iran

Mohammad Ghanbari

MSc in MBA, marketing field,, Islamic Azad University Ghom branch. Professor of science applied university of Tidewater of Bandar Abbas.

mghanbarim1390@gmail.com

Rooghayeh Samadi Tirandazi,

MSc in MBA, marketing field, Islamic Azad University Gheshm branch. Professor of science applied university of Tidewater of Bandar Abbasa Roghayesamadi@Yahoo.Com

Hamid Birjandi (Corresponding author)
Department of accounting, Sarvestan Branch, Islamic Azad University, Sarvestan, Iran
Email: H.birjandi63@gmail.com

Maryam Moghadasi,

MSc in MBA, marketing field, Islamic Azad University Najaf Abad branch. Professor of science applied university of Tidewater of Bandar Abbas.

m.moghadasi038@yahoo.com

Siyamak Mohammadi Pour , MSc in MBA, marketing field, Islamic Azad University Gheshm branch. Professor of science applied university of Tidewater of Bandar Abbas smohammadi555@yahoo.com

### **Abstract**

Developing the new products is the most important parts of each trade & new products, new products provide growth opportunities and competitive advantage for corporations. The different organizational factors influence on new product development. The goal of this research is surveying on the relationship between organizational factors and success of developing new dairy products .this research is applied in view of goal, method of data collection is descriptive and the relationship between variables is correlation. Statistical population of this research is all of managers and experts in Mazraeh sabz and Mehregan shomal dairy companies in Bandarabbas city (41 persons) and regarding to limitation is investigated on all of statistical population. The main tool for collecting data is questionnaire. Content validity of the questionnaire was confirmed by teachers and experts & reliability of questionnaire was obtained through Cornbach's s alpha value, 0.831, which shows the high reliability of the questionnaire, after collecting questionnaires, the obtained data were analyzed by SPSS software and using descriptive statistics & kolmogorov – Smirnov test, Spearman correlation and Friedman tests. The research results indicate that there is a significant relationship between organizational factors (organization management, organizational strategies, organizational processes, employees and organizational structure) and the success of new product development (performance, development, profitability and market expansion and Using the Friedman test revealed that the organizational strategies are more important than other factors.

**Keywords**: Organizational Factors - New Product Development - Corporate strategy - organizational structure – process

## Introduction

Along with speed changes in industrial environment, organizations need to using resources for competition & producing high quality & new products & also need to the continual improvement that this due to the make competitive advantages for organization (Huang et al, 2010). Each company must be thought to the new product. Producing a new product is so essential because of consolidation of the level of selling or new sells. The customers wants new product & if do these works. The competitors will do it (Kalter, 2009).

Today, organizational survival is tending to the new products & using new & success products methods with technical development whether the organizations become more competitive caused to making the new science & tools for products & basic changes in necessities & favorites of customers & ... caused to producing new products face to the new challenges. Regarding to the risks in NPD (New Products Development), the companies must constantly think to improve the processes of new products. Although NPD is considered as most important resources of competitive advantages & corporate revival of companies, but it faces to the fail, high cost & high



risks & some kinds of technology in NPD caused to explain it as process that have high risk (Chai, Xin, 2006). Most of researches followed to recognizing the effective survival factors on success of NPD (Chen et al, 2005, Cooper & Kleinscmidt, 2007). Cooper (2005) stated that the rate of project failure of NPD was about 33 percents in world, also another research; Ozer & Chen (2006) stated that the failure of success of NPD projects is so low in the Hong Kong as among 100 ideas just 2.15 of them due to the NPD. Rudolph (2010) affirmed that the cost of failure of NPD in producing them caused to go the missed sales targets, unearned income, benefits, in addition to delayed resource development & he quoted from Morris that cost of failure in American food industry was estimated at 20 Milliard Dollars because of in-appropriate development.

On the other, the most important factor in success the new product is the role of organizational factor of NPD. Perhaps they fail despite of high investment for new product, using developing technology & experts because the main problems of these companies was lack of recognizing the effective factors in administering the process of product development. So this research was done by the goal of surveying on the effective organizational factors on NPD in dairy products. In this regard, the main issue of this study is expressed as; what are the effective organizational factors of dairy products development?

## **Research Basic Theoretical**

The product development process is the complex sequences of different action to obtain goals that set earlier. These actions caused to the intermediate results that they were with goals of final results (Dreyar & Gudmundsson, 2002).

NPD is a group of activities that beings with goals of making an opportunity & end with produce & sell the product (Ulrich & Eppinger, 2004).

The goal of product development is the performance one of the strategies for doing it by improvement & modification existing products & services or offer new products to market & caused to increasing their sells or promotes their brand (Ulrich & Eppinger, 2004).

Cooper (2001) stated that NPD & introduction it are one of the most strategic decisions that the companies used it widely. Current market environment become more competitive & un-predictable every day. Introduction & NPD is same as blood & motor development & success in future in market NPD is the effective strategy for business development. NPD was often done because of finding the new market. Cooper (1990) said that a successful new product can be more specific success rates of profitability & more market shares & can close use to the business goals. In addition, the success products can show the technologic activities performance & also technological increasing, synergistic marketing & attractive market with high quality & also Little (2006) pointed that the high quality products can satisfy the customers & have high level of profitability & obtaining financial goals. Moreover, Cooper (2005) pointed that successful products have these characteristics; in high quality make appropriate between marketing necessities & resources & companies' abilities & their attractions can make more shares in market. So, effective NPD is as a cornerstone for future development, growth, profitability & survival. Nevertheless, successful NPD is not available & often has high risks. Cooper (1990) pointed that NPD projects always attempt high risks & so failed, innovation can have serious consequences for companies or even entire business is bankrupt (Zhang, 2009).

Haung, Soutar & Brown (2004) stated that product which it is designed well cause to significant competitive advantage to companies. So they considered it as important resource that can help to the success trade & business effectively.

## The key success factors in NPD

The researchers concluded that there are so many vital ingredients in NPD, but most of acceptance is on existing effective organizational characteristics in success NPD in an organization. Generally, the factors of success NPD includes; the multi-financial, top management, support & organizational support.

Bobrow (1997) presented a list of survival factors of success new product that it included; clear collaboration in NPD, resource allocation & individuals & multi-tasking teams. In another hand, Chorda (2002) added this list; senior management support, the process of new product & market analysis.

Cooper (1980) stated; unique product, market knowledge, technology & product synergy & especially as key factors of successfully. Cooper & Kleinscmidt (1990) introduced, satisfying the market requirement developing efficient & key role of people as success factors of new product. Cooper (1996) studied on differences among winners & losers in NPD & showed that following factors with their priorities have roles in NPD & winning of companies.

- -Understanding the customers & consumers
- -Paying attention to marketing & the method of enter to the market & the methods of propaganda
- -Paying attention to the efficient of product development
- Efficient using of technology & external scientific community.

Ernest (2002) divided key factors of NPD, which introduced by other scientists & researchers since 30 years ago,



too the five enter	oriog. NDD n	rocess organization	gultura manag	amant rola & co	mmitment, strategy.
too the five catego	ories: INPID bi	ocess. organization.	. culture, manag	emeni roje & co	mmilment, strategy.

too the five cate	gories; NPD process, organization, culture, management role & commitment, strategy.
	1- Skills of doing NPD & efficiently in each of NPD phases, especially in product
	development, market test & introducing to the market phases.
	2- Using market data throughout the NPD processes.
	3- Market orientation, customers orientation & customers' participation in NPD
	<ul> <li>According to customers' needs</li> </ul>
	Test the product
	Support the market in introduction stage
	4- Have the exact definition of product before designing & developing it.
Process	5- Have experiences or quality preliminary work in that idea.
	6- Technical studies & feasibility study of oriented- market & commercial assessment.
	7- Existing correct relationship & method between through market researches & viewing
	competitors.
	8- Existing official & specific process in NPD.
	9- Quality of planning before development phases
	10- Evaluating & continuous assessment during all NPD phases processes.
	11- Specify customers' needs.
	12- Directed the NPD processes in line with market needs & understand customers' needs.
	1- Existing NPD team of cross-function.
	2- Existing strong & responsible project manager.
	<ol> <li>Existing responsible NPD team in all stages of project.</li> </ol>
	4- The project managers' & team managers' commitments.
organization	5- Strong relationship between NPD team members in all stages of processes.
	6- The structures of NPD team:
	NPD manager
	NPD department
	7- Investment team
	8- Creating opportunities which the employees of NPD units can develop their ideas.
	9- Support the employees for working on unofficial projects.
culture	10- Access to the risky investment to realize creative ideas
	11- Existing the promoting culture of innovation
	1- Support the senior management.
	2- Budget of marketing part
The role of	3- Budget of research & development parts
management	4- Resource allocation
commitment	5- Senior management partnership in NPD.
Strategy	Exist a specific strategy for NPD in an organization
T-1.1. (2)	ding other assertment of effective feeters on success NDD

Table (2): providing other assortment of effective factors on success NPD.

	<del>U</del>
Market	Belachandra and Friar (1997), Cooper (1980), Mansfield and Wagner (1975), Gaynor (1995),
	Merrifield (1981), Zirger and Maidique (1984)
Product	Balbentin, Cooper and Yazdani (1999), Cooper & Kleinshmidth (1990), Belachandra (1989)
Technology	Belachandra and Friar (1997), Edget, Forbes and Shipely (1992), Cooper & Kleinshmidth
	(1990)
Relationship	Knudsen (2007), Ragatz, Handsfield and Scanel (1997), Baxter and Matear (2004), Lagrosen
	(2005)
Organization	Lester (1998), Belachandra and Friar (1997), Suvadas & Diyar (2000)

(Zhang, 2009)

## Market

Most of the studies that were done by Belachandra and Friar showed that market is one of the main determined factors that affects on NPD specifically.

Cooper (1980) proposed that before introducing a new product to the market, must be measured the market power & other aspects must be measured carefully by project managers such as; market size, current market share & expected predications profits. Some of researchers believed that analyzed the market position & environment 0 one step earlier.

Belachandra (1997) stated that market analysis help to the managers that can obtain to the development program for NPD.

Gaynor (1995) proposed that "having information of customers' needs & wants" caused too better understanding of market, moreover, "the estimated market growth rate" have vital effects on NPD in future & a market growth



## have more chances in NPD.

Ziger & Maidique (1994) studied on "current & potential existing competition in market" & "speed-to-market" caused to researchers paying more attention to it. The writers said that regarding to these two factors can achieve more profits, such as; grater market shares & obtaining managers' better attitudes about competitive market.

#### **Product**

Ballentin (1999) stated that product is the most important factors of determinants of success in NPD &Kleinschmidt (1990) stated that for obtaining success in NPD, one of the effective factors are introducing "distinct product" to customers that have more advantages than others for them. An attractive & qualitative product can satisfy more customers & have more accordance with their expectation. Also, Belachandra (1989) pointed that reasonable strategy for a product must be considered as a basic factor of success (such as; introducing & pricing product)

# **Technology**

Belachandra and Friar (1999) stated that most of researchers believed that products, which have more innovation, have more attraction among customers while if a product make based on study & development of projects' needs especially will have high percents of NPD success. So technology must be considered as main factor. Moreover, products with high technology potentially make competitive profits & opportunities for success. Cooper & Kleinscmidt (1990) said that some of people believed that products with high technology will have high costs & some ones don't consider technological industry as strong factor of success.

# Effective organizational factors on NPD

Lester (1998) considered organizational factors as most important factors that directly affect on failure & success in NPD, while an organization or a company cannot entire a product to the market, the project will face to failure & according to the Suvadas & Diyar (2000) based on studies said that factors such as skills of research & development, ability of innovation, ability of cooperation & strategic planning, function & operation are so important factors of success NPD in organizations.

## Relationship

Relationship is a process that two or more than two exchange their information to each other & this process due to the kind of understanding between parties & finally relationship is a kind of process that personal & group of activities & intercourses for increasing the efficiency are been coordinated by it (Grifin, 2011)

Other studies were reported that readiness of organizational structures can change to the fulcrum point of an organization, because structure of an organization affects on team & environmental adjustment factors continually & daily, also change those (Papadakis & Burants, 2010). Relationship is one of the vital factors in internal team, management, provider of row material & distributers' products & customers are affected through organization's organizational structures. The researchers believed that when an organization follows to in NPD process, supporter of organizational structure can caused to the NPD process. Researchers have recognized relationship as the most important factor for success. Relationship in market includes ingredients such as; customers' relationship & participation among customers & providers in NPD processes (Zhang, 2009).

Handifild & Skanl (1997) stated that most of researchers believed that effective using of providers of NPD process will cause to more successful & then cause to decrease the costs, increase the quality of products & also proper interaction among providers cause to speed development in using technology.

Baxter & Matier (2004) showed that relationship between seller-buyer caused to create intangible value & also Lajrosen stated that the customers' participations in NPD can make to understand & familiar with customers' information, their expectation & the methods of satisfying their needs (Zhang, 2009).

## Senior management's support

Malkom Balidij's scale showed that the importance of leadership. The leaders must pay attention to correct cooperation & participation culture in an organization, in other word, laws, regulation & bylaws for organization's success are not enough for obtaining goals. Strategic centralization of stability, prediction & simple function moved to the value added. This case insists on this point that without senior management's support & their commitment will fail any attempt for improvement & development. Senior managements' commitment & support are not be in the talking stage but also do them. So manager's can do & act same as behaviors that have open mind & be creative & professional.

Atuahene (1997) stated that NPD is ambiguous process with different people & units with different progresses. So NPD is considered as political process with high bargaining power in an organization & for solving the conflicts & problems among units & people need to the high power in an organization that senior managements have this power & they can solve this conflicts. Poolton & Barclay (1998) stated that senior managements' support provides organizational support for change, generate enthusiasm, correct sight in resource allocation Konel believed that patronage improvement & organizations' senior managements' commitment decrease the time of making decisions & also will case to create motivations in work teams & also success in NPD need to the management's financial patronage for success in plan (Cengiz et al, 2008)



## Organization's structure

World Day conditions of rapid change and various outstanding features is being accelerated competition. So organizations & produced units must change their resources in the best form that can be continued their vitality & these changes caused to change the production organization's strategies that subsequent must be changed the organization's structures. For the first, structure is a factor that determined the method of long term & policies of goals. It means that the frame of structure can affect for determining the goals & policies on relative activities of strategies performance. Second reason about changing in strategies caused to change the structure is that determined structure is a method that the resources will be allocated. So change in strategies caused to changes in organizational structure & this structure must be planed as it was available (David, 2010). If an organization has NPD strategy in its planning so must have an appropriate structure with that strategy. Organization that following to NPD must create structure which it has innovation in it. The organization's structure must be organic & be flexible that multi-tasking teams can do their duties (Shirvani, 2005).

# **NPD** strategies

Ilori et al (2000) stated that NPD strategies are developed in an organization goals frame work, environmental factors, past & current function, access to resources & capacity of organizations can be recognized based on the kind of NPD strategy. These categories included; reactants, planners & entrepreneurs. Rebounded organizations expect happen problem in an organization that shows reaction. Planning organization predict the problems & issues & entrepreneur organization follow to predict problems & opportunities other categories, divided the NPD strategies to the two categories; defensive strategies & aggressive strategies.

Aggressive strategies use in organizations that are risk able & invest in NPD. Defensive strategies use in organizations that are not risk able & imitate from success organizations (Cengiz et al, 2008).

Firth & Narayanan (2000) defined NPD strategies based on three aspects:

- 1- New technology
- 2- New market requirement
- 3- Innovation in market

# NPD's teams & employees

NPD's teams often use cohesive staffs of different units of organization & provide opportunities for them to simply parallel & contemporaneous processes. Most of experimental researches showed that work team of an organization cased to increasing innovation & success in making NPD. Sethi & Smith (2001) said that multitasking participation progress is one of the most important improvement & effective factors of NPD process in multi-tasking teams. Multi-tasking teams use as equipment for complex NPD. The management of multi-tasking teams is so difficult but these teams have multi-skills & can solve complex problems & issues.

# Research's hypotheses

Main hypothesis: there is meaningful relationship between organizational factors & success of dairy NPD.

# **Secondary hypotheses**

First hypothesis: there is meaningful relationship between organizational structure & performance development of new dairy products.

Second hypothesis: there is meaningful relationship between organizational structure & rapid expansion of new dairy products.

Third hypothesis: there is meaningful relationship between organizational structure & profitability of new dairy products.

Forth hypothesis: there is meaningful relationship between organizational management & performance development of new dairy products.

Fifth hypothesis: there is meaningful relationship between organizational management & rapid expansion of new dairy products.

Sixth hypothesis: there is meaningful relationship between organizational management & profitability of new dairy products.

Seventh hypothesis: there is meaningful relationship between organization's strategies & performance development of new dairy products.

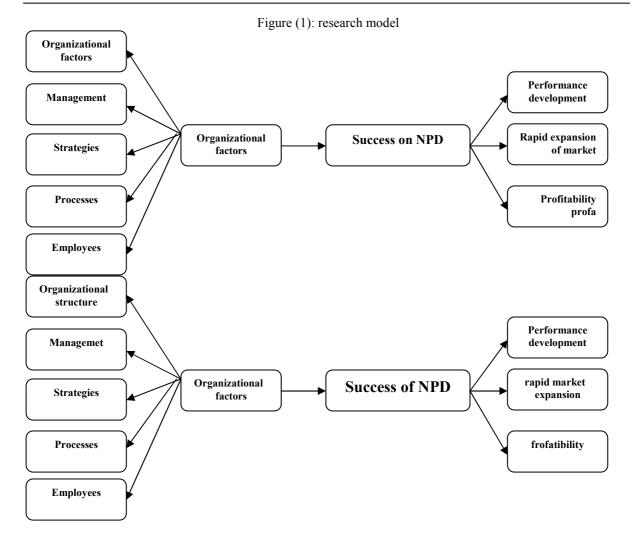
Eighth hypothesis: there is meaningful relationship between organization's strategies & rapid expansion of new dairy products.

Ninth hypothesis: there is meaningful relationship between organization's strategies & profitability of new dairy products.

# Research Model

Following model is evaluated by using literature of research model.





Resource: research findings...

## Research methods

This research is practical & for collecting data it was descriptive-correlation. This study is descriptive research of correlation branch. It is in the descriptive research category because "descriptive research" (non-experimental) includes group of methods that their goal is descriptive existing features or surveyed phenomenon. Descriptive research performance can just be for recognizing more existing characteristics with along making decisions process (Sarmad & others, 2007)

The (statistical) population includes all managers & experts of Mazraeh Sabz (20 persons) & Mehregan Shomal (21 persons) companies of producers of dairy products in Bandar Abbas. Regarding to the limitation of population is considered as statistical sample. The data collection tool is questionnaire that researches are characterized the variables, firstly. Organizational factors variable (organizational structure- management-strategies- processes & employees) are considered as independent variables & success NPD variable (performance development- market expansion- profitability) is considered as dependent variable. The questionnaire included 41 questions & it is designed based on these variables & with Likert range. Content validity of this research is determined by supervisions & consultant & some of experts who showed that it has validity. For measuring the durability of questionnaire used a primary sample which includes 10 questionnaires pre-test & using obtained data then used SPSS software the amount of reliability coefficient was obtained 0.831 by Cronbach's alpha & this number showed that this questionnaire has reliability or durability. Following table showed the Cronbach's alpha reliability coefficient for each dependent & independent variables of research:



Table (3): the results of research variables' durability

Variables	Cronbach's Alpha
Organizational structure	0.861
Management	0.768
Strategies	0.832
Processes	0.822
Employees	0.810
Performance development	0.871
Market expansion	0.796
Profitability	0.840
Total of questionnaire	0.831

Resource: research findings

By distributing the questionnaires among managers, experts of two companies; 17 questionnaires of Mehregan Shomal & 15 questionnaires from Mazraeh Sabz were analyzed after backing it. For analyzing the obtained data of questionnaires was used deductive & descriptive methods. So for surveying the demographic variables; gender, the level of education & ... were used descriptive variables & for surveying the relationship between independent variables (strategies, organizational structure, management & processes) & success NPD (market expansion, profitability & performance development) was used Smirnov-Kolomogrov test as dependent variable. For surveying the normal & abnormal data & used Spearman's correlation test for surveying on the relationship between variables & was used Friedma's test for ranking organizational factors.

## Data analysis

For analyzing the data, first obtained data of questionnaire were tested by Smirnov-Komologrov test to specifying whether the data is normal or abnormal. By doing this test, specify that the data of research is not normal & must used the non-parametric tests for analyzing the data. The results of Smirnov-Komologrov tests are;

Table (4): the results of Smirnov-Komologrov test for surveying the normalization of research dimensions & indexes

Variables	Meaningful level	The error level	Hypothesis determination	Results
Organizational			actermination	Not normal
Structures	0.01	0.05	H1	
Management	0.02	0.05	H1	Not normal
Strategies	0.021	0.05	H1	Not normal
Processes	0.023	0.05	H1	Not normal
Employees	0.009	0.05	H1	Not normal
Performance	0.006	0.05	H1	Not normal
development				
Market expansion	0.001	0.05	H1	Not normal
Profitability	0.01	0.05	H1	Not normal

Resource: research findings

In research's variables were used correlation coefficients. The results of correlation coefficient & meaningful level about the relationship between variables showed that there is meaningful relationship between effective organization's factors on success NPD. There is the highest correlation coefficient between two variables; organizational management & performance development. In at all, obtained correlation coefficient showed that there is direct & high relationship between organizational factors & NPD success. By comparative & total view can be resulted that organizational strategies variable have highest direct & meaningful relationship with NPD success. In other words, can say independent organizational strategy variable have most effects on success of NPD in an organization.



Table (5): the results of Pearson's correlation test for surveying on organizational variables & NPD success

The relationship				Amount of
between research's	Meaningful level	The error level	Results	correlation
variables				coefficient
Organizational	0.000	0.05	There is relationship	0.446
structure &				
performance				
development				
Organization's	0.000	0.05	There is relationship	
management &			r	0.736
performance				
development				
Organization's	0.000	0.05	There is relationship	
strategies &				0.605
performance				0.000
development				
Organization's	0.000	0.05	There is relationship	
processes &	0.000	0.00		0.312
performance				0.512
development				
Organization's	0.000	0.05	There is relationship	
employees &	0.000	0.03	There is relationship	0.435
performance				0.155
development				
Organizational	0.000	0.05	There is relationship	
structure & market	0.000	0.03	There is relationship	0.431
expansion				0.731
Organization's	0.000	0.05	There is relationship	
management &	0.000	0.03	There is relationship	0.360
market expansion				0.500
Organization's	0.000	0.05	There is relationship	
strategies & market	0.000	0.03	There is relationship	0.670
expansion				0.070
Organization's	0.000	0.05	There is relationship	
processes & market	0.000	0.03	There is relationship	0.391
expansion				0.571
Organization's	0.000	0.05	There is relationship	
employees &	0.000	0.03	There is relationship	0.105
market expansion				0.103
Organizational	0.000	0.05	There is relationship	
structure &	0.000	0.03	There is relationship	0.393
profitability				0.535
Organization's	0.000	0.05	There is relationship	
management &	0.000	0.03	There is relationship	0.371
profitability				0.571
Organization's	0.000	0.05	There is relationship	
strategies &	0.000	0.03	i note is relationship	0.535
profitability				0.555
Organization's	0.000	0.05	There is relationship	
processes &	0.000	0.03	There is relationship	0.473
profitability				U. <del>T</del> /3
Organization's	0.003	0.05	There is relationship	
employees &	0.003	0.03	There is relationship	0.391
				0.371
profitability				

Resource: research findings



For comparison between answers' ideas of Mazraeh Sabz & Mehregan Shomal companies was used Mann-Whitney's test for independent samples in terms of effects of organizational factors on success NPD.

Variables	Companies	The numbers of sample	Mean	SD	U-Mann- Whitney	Z	Meaningful level
	Mazraeh Sabz	15	18.56	11.28			
Organizational	Mehregan	17	12	10.41	36	-2.05	0.04
structure	Shomal						
	Mazraeh Sabz	15	9.25	2.66			
Organization's	Mehregan	17	22.64	2.09	12	-4.22	0.000
management	Shomal						
	Mazraeh Sabz	15	12.19	1.54			
Organization's	Mehregan	17	19.29	1.36	59	-2.26	0.021
strategies	Shomal						
	Mazraeh Sabz	15	10.06	3.56			
Organization's	Mehregan	17	21.71	3.55	25	-	0.000
processes	Shomal					1.176	
	Mazraeh Sabz	15	10.56	17.69			
Organization's	Mehregan	17	21.14	14.53			
employees	Shomal				33	-2.02	0.01

Resource: research findings

As seen in above table; there is no significant difference among answers' ideas of Mazraeh Sabz & Mehregan Shomal companies in terms of influence of effective organizational factors on success NPD.

For ranking the effective organizational factors on success of NPD was used Friedman's test for doing this test; following statistical hypothesis was surveyed:

H0: The mean ranks of each organizational factor are equal

H1: at least, a couple of mean rank of organizational factors have significant differences

Table (7): obtained data of Friedman's test

Measured chi-				
square	Freedom rate	Meaningful level	Error rate	The test's results
15.562	6	0.016	0.05	H1 is accepted

Resource: research findings

The results of Friedman's test showed that H0 hypothesis is declined & H1 hypothesis is determined. It means that at least one couple of mean rank of organizational factors have significant difference with each others. The mean rate & organizational factors are;

Table (8): ranking of organizational factors based on Friedman's test

Organizational learning	Mean	Rank
components		
Strategies	4.71	1
Management	4.32	2
processes	4.02	3
Organizational structure	3.71	4
Employees	3.60	5

Resource: research findings

As seen, organizational factors ranking; the organizational strategies are in the highest rank & organizations' employees is I the lowest rank.

# Research proposals

# • Management

NPD processes management need to using management new processes. Rugby competition progress, in which hard work, ball back & forth constantly with high speed are the password of winning is one of the progresses to have better results. Hyundi & Canon used these kinds of models as references models of NPD processes



Following managements' characteristics affect on management & his/her domain powers:

- Product nature: regarding to the frame work, novelty & current of "technology" & "market" & amount of changes & importance of each of them, can place team management in a one part of marketing or in research & development parts.
- Project importance & share: based on the product development project place, regarding to the Macro enterprises' views, how much is strategic & how much use from resources, so the management of project will be selected by his/her experiences & specialty & proficiency.
- Organization's life: whatever the organization's life become more & more experienced people worked in it, power & policy among different parts will be more serious. So the position of project leadership & balance of his/her power & authority is based on this variable against functional task managers.
- The relative units power & influence: the influence method of this factor is same as organization's life but this factor work independently & can be based on industrial characteristics (oriented-production or oriented-market) separately influenced on product development team management.
- Senior management support: despite of power of each part of organization & NPD team, this is senior management support that can force all powers to work with each other or provide environment of competitions & challenges between them.
- Management encourages the organization's employees to NPD & does necessary support.
- Management provides environment in which the nature of company's culture lean on new product.

## • Organizational strategies

Organization's success or mission editor & organization's strategies in different areas are kinds of production & resources strategies & ... So NPD success needs to accurate & appropriate planning in an organization. Organization's producers must make their product strategies officially that all of employees know about it.

- For developing the strategies of NPD must be done based on organizational goal framework, environmental factors, past & current performance & available resources & capacity of company. Generally, 3 kinds of organizations can be recognized based on NPD strategies. This categories includes; reactant, planners, entrepreneurs. The organizations must specify that placed in which categories
- Proposed to the companies that not only, planning & developed their strategies for staying in market but also, must attention to the strategic coordination challenges in marketing &for losing it, is selected strategies which have more coordination than other strategies why the results of research based on the effects of two dimensions; external coordination & internal coordination strategies of marketing on company's function & showed that companies which have highest external & internal coordination, they have better & higher performance development & be more success in product to market.
- Proposed to the dairy products producers which proper integrated courses in marketing strategies area.
- Have clear & specified strategies.
- Organization must have ready to act against distributed & uncertain conditions & consider the customers, suppliers of raw materials & competitors.
- As possible try to creating correlation & synergistic among new product & technology.
- There is environment that people have freedom in organization for risk against ideas.

## • Organizational structure

NPD & selling market expansion of organization's products need to flexible structure to response to environmental changes, two main reasons cased to organization's strategies change:

- First, factor structure that determines the methods of long term goals & policies. It means structure shape can affect on related activities of strategies for determining goals & policies.
- Second reason is that determined structure is a method that the resources will be dedicated, so changes in strategies caused to change in organizational structures & this changes must be planned as implying the strategies become available.
- Good communication systems of companies must provide the opportunities for effective & good communication system.
- Systems give the controlling power & authorities of making decisions to employees.
- Persons who have a breadth & have ideas & powers for solving problems must be supported by organizations.
- As possible, avoiding strict rules.
- Eradicate barriers among parts for expedite in works.
- Expend participation in organization & admire organization informal with at least regulation & face to face communication.
- Avoid hierarchy works that cause to the work do so lowly if companies' which are producers of dairy



products & have NPD strategies in plans must;

- Adopt structures which appropriate to NPD strategies
- Organization that following to NPD must provide innovative structure.
- The structure of organization must be organic & flexible to multi-tasking team can do their task easily
- Insist on work team because there is innovative & creative environment in teams.

## Employees

Manpower is considered as main elements of production & success in each organization. So have power & commitment manpower is the success necessaries of NPD & proposes:

- Proper appropriate environment for oriented-communication & motivation for professionals, managers & employees in NPD team.
- Have organization's line unit experts & constructive comments because of direct see & touch the
  products. So can use their ideas & comments in meetings by their direct participation. This case caused
  to increasing their motivation because of paying attention to their comments & will be affected in
  product produce process & the level of quality.
- Preparing appropriate educational courses for organization's employees, their technological & mental abilities for showing better services. So organization's managers need to preparing these courses that needs; ideas, creativity & innovation. These factors caused to preparing employees' & experts' ideas in NPD.
- Participating the managers & experts in educational institutes & seminars.
- Employment the employees (includes; experts & managers) with acknowledge & have new skills.
- Buying informational books & references to give to employees.
- Creating motivation in employees by spiritual & material rewards.
- Creating intimate place among employees to participate in information.
- Creating coordination between research, development & marketing units.

# • Organizational processes

Organizational processes have most important role in idea performance stage of new product. So it proposed regarding to the following points;

First priority in process of produce a new product is customer because the customers buy the product & must pay attention to their ideas & proposal to the organization will not face to any problem in selling new product in future.

Companies which produce dairy product must use new technologies, so new technologies decrease the current costs of organization in long time.

Integrated processes there are two categories of product development projects; processes that exist in each parts & processes that exist among different parts. Product complexity is a factor that due to increasing the internal processes & the nature of product due to increasing the necessary of ingredient midsection processes.

Versatility of processes: points to the flexibility of processes of product development. So whatever the nature of product have more success, the importance of versatility of processes for saving time & costs. Also if the products have more complexity, the importance of flexibility of process will become more synchronization process:

It is done because decreasing & save the time & costs of doing project. In concurrent engineering, all parts of product development involve; designing, engineering, produce, market & quality,...in product definition stage & then designing part. This involvement also caused to waste the time but because of consensus on product & predicate the possible paradox of different aspects; sample producing, producing, marketing & selling it will be decreased in the final time to market & because of all parts involve in designing process simultaneously, changes in products will be decreased in future & then caused to decrease the cost of product development.

- Organization use customers, researchers, employees, competitors & distributed members.
- Organization does market test on produced product & then analyzed it.
- Organization pays attention to the users' ideas & their reaction to the products which are seeking to produce.
- Organization studies & plans the goal, sells & market share about new product & also does targeted advertising on produced product & customers report the goals than the product & its profits.

## Research limitations

- Lack of Persian references & essays on NPD because of new subject
- The results of this research cannot be generalized to other companies because of the small of dairy



products companies.

- Lack of answering to questionnaires & times & the method of data collection.

#### References

- -Kalter, F.(2009). "marketing management", Bahman Forozandeh, Amokhteh publication, Tehran, fifth edition.
- Bobrow , E.E.(1997) , "The Complete Idiots Guide To New Product Development" , Macmillan , New York .
- Balachandra, R., & Friar, J. H. (1997). "Factors for Success in R&D Projects and New Product Innovation: A Contextual Framework", IEEE Transactions on Engineering Management, 44(3), pp. 267-287.
- Bingham, L. B., Nabatchi, T., & O'Leary, R. (2005). "The New Governance: Practices and Processes for stakeholder and citizen participation in the work of government", Public Administration Review, 65, pp.547-558.
- Cengiz, E., & Ayyildiz, H. (2008). " Critical Success Factors In New Product Development".
- Chai, K. H., & Xin, Y., (2006). "The Application of New Product Development Tools in Industry: The Case of Singapore", IEEE Transactions on Engineering Management, 53(4), pp. 543-554.
- Chen, J., Reilly, et al. (2005). "The Impacts of Speed-to- market on New Product Success: The Moderating Effects of Uncertainty". IEEE Transactions on Engineering Management, 52(2), pp. 199-212.
- Chorda ,M.I., Gunasekaran , A., Aramburo , L.B.(2002), "Product Development Process In Spanish Smes: An Empirical Research" , Technovation , 22(5), pp. 301-312.
- Cooper, R. (1980). "How to Identify Potential New Product Winners". Res. Manage, 23 (5), pp. 15-19.
- Cooper .R .G. & Kleinschmidt .E. J.(1986) . "An Investigation into the New Product Process: Steps, Deficiencies, and Impact". Elsevier Science Publishing Co., Inc .
- Cooper,R.G.,Kleinshmidth,E.J.,(1987) ,"Success Factors In Product Innovation", Journal Of Industrial Marketing Management ,16,215-223.
- -Cooper,R.G.(1996). "New Products:What Separates The Winners From The Losers".InThe PDMA Handbook of New Product Development, Rosenau, M. D., A. Griffin, G. A. Castellion, and N. F. Anschuetz, eds. New York: John Wiley & Sons, pp. 3-18.
- Cooper, R. (2005). "Winning at New Product: Pathways to Profitable Innovation". On . Canada: Product Development institute inc.
- Cooper, R.G., & Kleinscmidt, E.J. (2007). "Winning Business in Product Development: The Critical Success Factors", Research-Technology Management, 50(3), pp.52-66.
- Drejer, A. & Gudmundsson, A. (2002). "Towards multiple product development". Technovation, 22(12), pp. 733-745.
- David, f. (2010). "strategic management", Alii Parsian & Mohammad Arabi, cultural projects office publication, Tehran, sixteen edition.
- -Grifn, M. (2011). "organizational behavior", Mehdi Alvani & Gholamreza Memaarzadeh, Morvarid publication, sixth edition.
- Ernst, H. (2002). "Success Factors Of New Product Development": A Review Of The Empirical Literature. International Journal Of Management Reviews, 4(1): 1-40.
- Firth, R.W., Narayanan, V.K. (1996). "New Product Strategies Of Larg, Dominant Product Manufacturing Firms: An Exploratory Analysis", Journal Of Product Innovation Management, 13(4), pp.334-347.
- Huang, T. A., et al (2010). "Identifying Key Enablers to Improve Business Performance in Taiwanese Electronic Management Companies", International Journal of Operations and Production Management, 30(2), 155-180.
- Kalter, F.(2009) "marketing management", Bahman Forozandeh, Amokhteh publication, Tehran , fifth editions .
- Ilori , M .O . , Oke , J. S. , Sami , S . A .(2000) , "Management Of New Product Development In Selected Food Companies In Nigeria" , Technovation ,20 , pp.333-342.
- Lester, D. H., (1998), "Critical Succes Factores For New Product Development", Research Technology Management .41(1), pp.36-432.
- Ozer, M. & Chen, Z. (2006) . "Do the best new product development practices of US companies matter in Hong Kong?". Industrial Marketing Management , 35, pp. 279-92..
- Papadakis, V. & Burantas D. (2010). "The chife executive Officer as corporate Champion of Technological innovation: An empirical investigation", technology Analysis & strategic management Strategy, 10(1), 89-110.
- Poolton, J, & Barclay, J. (1998), "New Product Development from Past Research to Future Applications".



- Industrial Marketing Management, 3, pp.197–212.
- -Sarmad, Z, Bazargan, A, Hejazi, A.(2007) "the research methods in behavioral sciences", Agah publication, Tehran, fourteen editions.
- Schimmoeller, L.,J.(2010), "Success Factors Of New Product Development Process", Journal of advances in production engineering & management, 5(1),25-35.
- -Sethi, R. Smith, D., Park C.W. (2001), "Cross Functional Product Development Teams, Creativity, And The Innovativeness Of New Consumer Products", Journal Of Marketing Research, 38(1), pp.73-85.
- Shirani, A.(2005). "surveying on effects of variety product strategy on organizational organization", third international conference on management of Tehran, Sanati Sharif University.
- Ulrich, K. T. & Eppinger, S. D. (2004). "Product design and development". McGraw, New York.
- Zhang, E., & Doll, W. (2005). The fuzzy front end and success of new product development: a causal model. European Journal of Innovation Management, 4(2): 95-112.
- -Zhang, Y. (2009). "Exploring New Zealand management attitudes to customer involvement in new product development in the health supplement industry". Auckland university of technology.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage: <a href="http://www.iiste.org">http://www.iiste.org</a>

## CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <a href="http://www.iiste.org/journals/">http://www.iiste.org/journals/</a> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

## MORE RESOURCES

Book publication information: <a href="http://www.iiste.org/book/">http://www.iiste.org/book/</a>

Recent conferences: <a href="http://www.iiste.org/conference/">http://www.iiste.org/conference/</a>

# **IISTE Knowledge Sharing Partners**

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digtial Library, NewJour, Google Scholar

























