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A comparative study of farm entrepreneurs of Mandi district of Himachal Pradesh

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Abstract

The study was conducted in a purposively selected Mandi district of Himachal Pradesh to find out the attributes of farm entrepreneurs and their extent of entrepreneurial behaviour. A multistage sampling technique was applied to select a sample of 100 respondents (50 floriculturists and 50 vegetable growers) through population proportionate sampling technique. The data were collected through personal interview method from the respondents. Results of the study revealed that floriculturists had significantly higher level of education, more social participation in formal social organisation, and possessed more agricultural land than vegetable growers. However, vegetable growers had significantly more years of length of experience in the enterprise compared to floriculturists. Further, floriculturists had more scientific orientation, undergone more number of days training in the enterprise, and utilised more farm information sources than vegetable growers. A large majority of the respondents had medium to high (70%) extent of entrepreneurial behaviour. Nevertheless, floriculturists had significantly higher entrepreneurial behaviour compared to vegetable growers.

Keywords: Farm entrepreneurs, Mandi, Himachal Pradesh.

Introduction

Of late, Indian agriculture is transforming from traditional and subsistence farming to modern commercial enterprise. A commercial enterprise involves rational decision-making on investment after assessing risk, other alternatives, possibilities of profit and loss, etc. In order to carry out agriculture as commercial enterprise, the identity of the farmer must change to that of an entrepreneur.

Entrepreneurial behaviour is a composite variable that can not be explained by a single trait/attribute. It is a combination of several traits or dimensions. To meet the challenges of agriculture development in this globalised world, there is an urgent need to redefine the structure and function of agricultural extension. Entrepreneurship need to be considered as an approach which can be developed among farmers through agricultural extension that will enable farmers to practice farming as an enterprise rather than merely a source of their livelihood. In order to develop entrepreneurship among farmers, there is need to identify their characteristics and existing status of entrepreneurial behaviour before formulating a strategy for developing entrepreneurship amongst them. Hence keeping this in view, the present study has been planned and carried out to understand the characteristics of farm entrepreneurs (commercial floriculturists and vegetable growers) and their entrepreneurial behaviour.

Material and Methods

The present study was conducted in a purposively selected Mandi district of Himachal Pradesh. The respondent of the study was farmer who was involved either in floriculture or vegetable farming enterprise on commercial basis and having a minimum of two years' entrepreneurial experience. Two samples of respondents were drawn through multistage population proportionate sampling technique. Each sample consists of 50 respondents thus forming a total sample size of 100.

The studied attributes of the respondents were age, caste, education, social participation, family size, land holding, experience in enterprise, income, marketing facilities, economic motivation, scientific orientation, training received, and information sources utilisation. The entrepreneurial behaviour of farmers was also studied in the present investigation. It was operationalised as the interaction amongst nine different dimensions/traits of an entrepreneur.

These dimensions are: management orientation, achievement motivation, innovativeness, knowledge of enterprise, farm decision making, leadership ability, risk taking ability, self confidence, and utilisation of available assistance. The score obtained from all nine dimensions were added and the total was considered as a score of entrepreneurial behaviour of the respondent.

The data pertaining to the present study were collected from the respondents (floriculturists and vegetable growers) through personal interview with the help of a well developed and pre-tested interview schedule. In order to categorise the respondents with respect to their various attributes and extent of entrepreneurial behaviour, the cumulative frequency cube root technique (Singh, 1975) was applied, wherever applicable. The Z-test was also applied to determine the differences in mean values of floriculturists and vegetable growers with respect to their various attributes and entrepreneurial behaviour.

Results and Discussion

Profile of farm entrepreneurs

Detailed data pertaining to profile of farm entrepreneurs are given in Table 1.

Table 1. Distribution of the farm entrepreneurs as per their characteristics

Sr. No.	Characteristics	Category	Score range	Floriculturists (N=50)	Vegetable growers (N=50)	Overall (N=100)
1.	Age	Young	23-36	28 (56)	19 (38)	47 (47)
		Middle	37-51	18 (36)	20 (40)	38 (38)
		Old	52-75	4 (8)	11 (22)	15 (15)
2.	Caste	Upper caste	-	47 (94)	21(42)	68 (68)
		Middle caste	-	0 (0)	21 (42)	21 (21)
		Lower caste	-	3 (6)	8 (16)	11(11)
3.	Education	Illiterate	0	0 (0)	6 (12)	6 (6)
		Primary	1-5	0 (0)	6 (12)	6 (6)
		Middle	6-8	6 (12)	8 (16)	14 (14)
		Matric	9-10	17 (34)	25 (50)	42 (42)
		Secondary	11-12	13 (26)	2 (4)	15 (15)
		Graduate & above	13 & above	14 (28)	3 (6)	17 (17)
4.	Social participation	Nil	0	2 (4)	25 (50)	27 (27)
		Low	1-2	38 (76)	18 (36)	56 (56)
		High	3-5	10 (20)	7 (14)	17 (17)
5.	Family size	Small	1-4	13 (26)	13 (26)	26 (26)
		Medium	5-7	28 (56)	26 (52)	54 (54)
		Large	8-12	9 (18)	11 (22)	20 (20)
6.	Land holding	Marginal farmer	<1 ha	16 (32)	28 (56)	44 (44)
		Small farmer	1-2 ha	24 (48)	15 (30)	39 (39)
		Medium farmer	2-10 ha	10 (20)	7 (14)	17 (17)
7.	Experience in enterprise	Less	5-7	39 (78)	20 (40)	59 (59)
		Average	8-15	11 (22)	15 (30)	26 (26)
		More	16-30	0 (0)	15 (30)	15 (15)
8.	Income	Low	5000-76780	35 (70)	22 (44)	57 (57)
		Middle	76781-175644	9 (18)	21 (42)	30 (30)
		High	175645-500000	6 (12)	7 (14)	13 (13)
9.	Marketing facilities	Local market	5 & above	9 (18)	33 (66)	42 (42)
		Nearby market	4	10 (20)	8 (16)	18 (18)
		Away market	Less than 4	31 (62)	9 (18)	40 (40)
10.	Economic motivation	Low	10-13	6 (12)	12 (24)	18 (18)
		Medium	14-15	24 (48)	19 (38)	42 (42)
		High	16-18	20 (40)	19 (38)	39 (39)
11.	Scientific orientation	Low	7-12	0 (0)	16 (32)	16 (16)
		Medium	13-15	21 (42)	13 (26)	34 (34)
		High	16-19	29 (58)	21 (42)	50 (50)
12.	Training received	Nil	0	31 (62)	34 (68)	65 (65)
		Less than one week	1-6	3 (6)	14 (28)	17 (17)
		One week & above	7-21	16 (32)	2 (4)	18 (18)
13.	Information sources utilisation	Low	19-29	3 (6)	20 (40)	23 (23)
		Medium	30-37	29 (58)	23 (46)	52 (52)
		High	38-45	18 (36)	7 (14)	25 (25)

Figures in parentheses represent per cent

Majority of the floriculturists (56%) were young in age (23-36 years) whereas 40 per cent vegetable growers belonged to middle age group (37-51 years). Pooled sample revealed that nearly half of the respondents (47%) were young farm entrepreneurs. Past studies conducted by Nandapurkar (1982), Jayasree and Sugirthavathy (1998), and Mundhwa and Padheria (1998) also reported similar results.

An overwhelming majority of the floriculturists (94%) belonged to upper caste whereas equal number of vegetable growers (42%) belonged to upper and middle castes. Pooled sample also revealed that majority of the respondents (68%) were from upper caste. Nandapurkar (1982) and Murali and Jhamtani (2003) also reported similar findings.

Education helps an individual to acquire knowledge and gives shape and direction to his thinking process so that he can take rational decision. Results revealed that all the floriculturists had middle and above level of formal education. More than one third of them were matriculate followed by 28 per cent possessed graduate and above level of formal education whereas half of the vegetable growers were matriculate. On the whole, nearly three-fourth of the respondents (74%) had matric and above level of formal education. Jayasree and Sugirthavathy (1998), Mundhwa and Padheria (1998), Kumar and Narayanaswamy (2000), and Murali and Jhamtani (2003) also reported similar findings.

Social formal organisations provide an opportunity to its members to share their varied rich experiences and knowledge with one another. But large majority of the floriculturists (76%) had low social participation and half of the vegetable growers were not member of any social organisation. On the whole, majority of the respondents (56%) had low social participation whereas only 17 per cent had high social participation and 27 per cent respondents were not member of any social organisation. Nandapurkar (1982) also observed that majority of the respondents (59%) had low social participation.

The results of the profile further indicated that majority of the floriculturists (56%) as well as vegetable growers (52%) had medium size of their families. Similarly, pooled sample also indicated that more than half of the respondents (54%) belonged to medium size families. Mundhwa and Padheria (1998) and Saxena and Tripathi (1998) also reported in their respective studies that majority of the respondents belonged to medium size families.

Land is one of the important resources of the farmers. Large size of land helps the farmers to take risk in adoption of new technologies at their farm. However, it is quite clear from the table that nearly half of the floriculturists were small farmers. Similar observation was also made by Murali and Jhamtani (2003). But majority of the vegetable growers (56%) were marginal farmers. Results further revealed that overall 44 per cent respondents possessed less than one hectare of land followed by 39 per cent who had 1-2 hectare of agricultural land. It might be due to the factual situation of continuous decrease in cultivated area due to increased pressure of human population and further division of family land. Moreover, the average land holding of the state is also smaller and fragmented. These findings are also in line with those reported by Mundhwa and Padheria (1998) and Saxena and Tripathi (1998).

The experience in a particular skill is considered as one of the important characteristics of entrepreneurs. Nevertheless, results indicated that an overwhelming majority of the floriculturists (78%) had less experience (5-7 years) in their enterprise whereas 60 per cent vegetable growers had average (8-15 years) to more (16-30 years) experience in commercial vegetable farming.

Pooled sample revealed that majority of the respondents (59%) had less experience which might be due to the fact that an overwhelming majority of the respondents (85%) of the study belonged to young to middle age groups. These findings are in conformity with that of Mundhwa and Padheria (1998).

Large majority of the floriculturists (70%) had low income from all their sources of income. On the other hand, an overwhelming majority of the vegetable growers (86%) belonged to low or middle categories of total income. However, overall majority of the respondents (57 %) belonged to low income group followed by 30 and 13 per cent had middle and high income from all their possible income sources, respectively. Low income of the respondents might be attributed to their small size of land holding and very few other sources of income. Similar observations were also made by Nandapurkar (1982).

Marketing facilities can play a very significant role in better performance of any enterprise. As far as existence of marketing facilities is concerned, it is quite clear from the table that majority of the floriculturists (62%) sold their produce or purchased the input materials from market situated away from their villages whereas majority of the vegetable growers (66%) availed such facilities in their local market itself. Overall, 42 per cent respondents availed the marketing facilities in a local market followed by 40 per cent sold their produce or purchased various inputs from market which was situated away from their villages.

An overwhelming majority of the floriculturists (88%) as well as vegetable growers (76%) had medium to high level of economic motivation. Similarly, pooled sample also revealed that overwhelming majority of the respondents (81%) had medium to high level of economic motivation. It might be due to the fact that entrepreneurs are generally economic oriented people who thrive to maximise their profits.

It was observed that majority of the floriculturists (58%) and 42 per cent vegetable growers had high scientific orientation. Overall, an overwhelming majority of the respondents (84%) had high to medium level of scientific orientation.

Training is one of the important instruments by which efficiency of an individual can be increased. But results of profile showed that majority of the floriculturists (62%) as well as vegetable growers (68%) did not receive any training in their respective enterprise during last two years. Similar trend was also observed in case of pooled sample. Jayasree and Sugirthavathy (1998) also reported similar results.

Information sources utilisation by farmers with respect to enterprise play an important role in their entrepreneurial behaviour. The results also indicated that an overwhelming majority of the floriculturists (94%) had medium to high level of information sources utilisation. On the other hand, 60 per cent vegetable growers had utilised medium to high level of information sources during preceding year. On the whole, more than three-fourth farm entrepreneurs (77%) had utilised medium to high level of information sources.

Average status of farm entrepreneurs

A perusal of Table 2 showed that overall average age of the farm entrepreneurs was observed 40.04 years. Albeit, the average age of floriculturists (37.80) was found less compared to vegetable growers (42.28) but it is non-significant.

Table 2. Average status of the farm entrepreneurs as per their characteristics

Sr. No.	Characteristics	Floriculturists (N=50)	Vegetable growers (N=50)	Overall (N=100)	Z-value
1.	Age	37.80	42.28	40.04	1.94
2.	Education	12.18	8.36	10.27	5.24**
3.	Social participation	1.40	0.94	1.17	2.13*
4.	Family size	5.90	5.88	5.89	0.05
5.	Land holding	1.42	0.98	1.20	2.61**
6.	Experience in enterprise	6.94	13.36	10.15	5.04**
7.	Income	97,220	96,400	96,810	0.05
8.	Marketing facilities	3.76	5.28	4.52	6.57**
9.	Economic motivation	15.00	14.36	14.68	1.53
10.	Scientific orientation	15.80	14.42	15.11	2.89**
11.	Training received	3.00	0.80	1.90	3.19**
12.	Information sources utilisation	36.62	30.66	33.64	5.48**

* Significant at 0.05 level of probability
** Significant at 0.01 level of probability

On an average the farm entrepreneurs had 10.27 years of formal education. However, the average level of formal education of floriculturists (12.18 years) was observed significantly more as compared to vegetable growers (8.36 years). The possible reason might be that educated people were more interested in venturing into floriculture enterprise for its higher perceived economic return and social status than vegetable farming.

The mean value of social participation was observed significantly higher among floriculturists (1.40) than vegetable growers (0.94). Higher social participation of the floriculturists might be due to the fact that most of them were either member or office bearer of co-operative societies of flower growers. On the other hand, both types of farm entrepreneurs did not differ significantly as far as size of their family is concerned.

Average land holding of the pooled sample was found 1.2 ha. Nevertheless, floriculturists (1.42 ha.) possessed significantly higher average land holding than vegetable growers (0.98 ha.). On the other hand, average length of experience in the enterprise of the respondents was observed 10.15 years. The calculated z-value (5.04) revealed that there was significant difference in average length of entrepreneurial experience between floriculturists (6.94 years) and vegetable growers

(13.36 years). The probable reason of more experience of vegetable growers might be due to the fact that floriculture was relatively new enterprise in the study area than vegetable farming.

It is further elucidated that the overall average income of the respondents was Rs. 96,810/- per annum. But both, vegetable growers (Rs. 96,400/-) and floriculturists (Rs. 97,220/-) did not differ significantly as far as their income is concerned.

The mean value of marketing facilities of floriculturists (3.76) was significantly lower than vegetable growers (5.28). It could be interpreted that marketing facilities for floriculturists were available at significantly distantly located places than vegetable growers. It was due to the fact that floriculturists sell their produce in cities like Delhi, Chandigarh, etc. whereas vegetable growers had markets for their produce in their home town itself. The overall mean value of economic motivation of the respondents was observed 14.68. Although, the mean value of economic motivation of floriculturists (15.00) was slightly higher than vegetable growers (14.36) but it did not differ significantly. It means both types of entrepreneurs were equally economically motivated.

The mean value of pooled sample on scientific orientation was observed 15.11. However, floriculturists had significantly higher scientific orientation than vegetable growers as indicated by calculated z value (Table 2). The role of technical know-how in increasing the productivity is well known and floriculture requires more technical knowledge might be the possible reason. Further, floriculturists also had more education that might have led to their higher scientific orientation.

The overall average duration of training received by the respondents was observed 1.90 days. Nonetheless, the average duration of training received by the floriculturists (3.00 days) was significantly higher than vegetable growers (0.80 days). It might be due to the fact that floriculture was relatively new enterprise for the respondents and hence they had undergone for training.

Similarly, the average score of information sources utilisation of floriculturists (36.62) was significantly higher than vegetable growers (30.66) as revealed by its calculated z-value. It can be concluded that floriculturists utilised significantly more information sources than vegetable growers. The possible reason might be that floriculturists required frequent information from different sources than vegetable growers as they were expected to compete in wider market beside other obvious reasons related to management practices of floriculture.

Extent of entrepreneurial behaviour

A perusal of Table 3 revealed that majority of the floriculturists (56%) had medium entrepreneurial behaviour whereas 20 per cent were in low and 24 per cent were in high categories of extent of entrepreneurial behaviour.

Table 3. Extent of entrepreneurial behaviour of the respondents

Sr. No.	Category	Score range	Floriculturists (N = 50)	Vegetable growers (N = 50)	Overall (N = 100)
1.	Low	135-188	10 (20)	20 (40)	30 (30)
2.	Medium	189-222	28 (56)	21 (42)	49 (49)
3.	High	223-276	12 (24)	9 (18)	21 (21)
	Mean		206.40	193.62	200.01
	Z-value				2.25*

Figures in parentheses represent per cent

* Significant at 5 per cent level of significance

In case of vegetable growers, 42 and 40 per cent entrepreneurs were in medium and low categories of extent of entrepreneurial behaviour, respectively. Only 18 per cent vegetable growers were found to have high extent of entrepreneurial behaviour. Pooled sample indicated that nearly half of the respondents (49%) were in medium category of extent of entrepreneurial behaviour whereas 21 per cent respondents found to have high extent of entrepreneurial behaviour and remaining 30 per cent had low entrepreneurial behaviour. Similar trend of results were also reported by Banerjee and Talukdar (1997), Mundhwa and Padheria (1998), Paul (1998), and Murali and Jhamtani (2003) in their respective studies.

The table further revealed that overall average entrepreneurial behaviour score of the respondents was observed 200.01. However, floriculturists (206.40) had significantly higher entrepreneurial behaviour than vegetable growers

(193.62). The probable reasons for significantly higher entrepreneurial behaviour of floriculturists might be due to their higher formal education, more social participation, more land holding, high scientific orientation, more previous training in the enterprise, and more information sources utilisation.

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