

**Entrepreneurial Behavior among Farmers – An empirical Study**

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**ABSTRACT**

The study which was conducted in the Regulated Markets in Thanjavur district focused on identifying entrepreneurial characteristics among the farmers and determines the level of entrepreneurial behavior among the farmers. Among them with regard to innovation it was found low among the small and marginal farmers. The level of leadership ability and ability to assume risk also found low, requiring the improvement in the entrepreneurial behavior particularly among the marginal farmers.

## INTRODUCTION

The entrepreneurs are key persons of any country for promoting economic growth and technological change. The development of entrepreneurship is directly related to the socio-economic development of the society. Eighty per cent of the population resides in the rural areas and seventy per cent of the work force depends on agriculture for their livelihood. Therefore role of farmers is very important in agricultural and socio-economic development of the nation. In this context, it was felt necessary to determine the level of entrepreneurial behaviour among the farmers. Entrepreneurial behaviour of farmers is operationally defined as cumulative outcome of six components namely, innovativeness, economic motivation, decision making ability, risk orientation, information seeking behaviour, and Leadership.

## REVIEW OF LITERATURE

Jarkko Pyysiainesn et.al., [1] showed that the contexts of conventional farming and business diversification called for clearly different entrepreneurial skills, some of which were more amenable to teaching than others.

Porchezhain. M.R et.al., [2] revealed that entrepreneurial skill is to be regarded as the needed component for the development.

Pandya Patil et.al., [3] and Rao and Dipak (2010) The Entrepreneurial Behavior was measured by the Research scholars. These studies attempted to bring out important dimensions of entrepreneurial behavior.

P.Chandramouli et.al., [4] found that the significant difference was observed between entrepreneurial behavior of small and medium farmers and also between small and big farmers

## OBJECTIVES

1. To identify the entrepreneurial characteristics (qualities)- skills among the farmers .
2. To determine level of entrepreneurial behavior among the farmers

## METHODOLOGY

In the present study, the research design followed is descriptive. The present study includes farmers in Regulated Markets as the sample. Of the total farmer selected for the study i.e., 1704, 20% has been selected as a sample for the present study. Stratified random sampling is used to select the sampling units. The sample size is worked out to be 342, comprising small, marginal and big farmers involved in marketing at these Regulated Markets during 2008-2009. The data for the research predominantly are primary data collected from the respondents namely farmers using the interview schedule. Before the actual data collection process was started, the schedule was pre-tested among 10 farmers. The schedule was redrafted and re-structured, based on the responses to the pilot study.

### Entrepreneurial Behaviour Index (EBI) Among the Farmers

Entrepreneurship is common to all businesses. Agriculture is not an exception. Farmers should have entrepreneurship qualities in order to perform better in the field. In the present study, entrepreneurship behaviour among the farmers is studied in the light of variables like innovation, decision-making ability, economic motivation, risk-taking ability, information-seeking ability and leadership ability. Each aspect of entrepreneurship is based on some related statements, which are measured on a five-point scale. The behaviour is measured with the help of an index called Entrepreneurial Behaviour Index (EBI).

$$EBI = \frac{\sum_{i=1}^n SEV_i}{\sum_{i=1}^n MSEV_i} \times 100$$

Whereas, SEV – Score on entrepreneurial variables    MSEV – Maximum score on entrepreneurial variables.

i = 1 – n number of variables included in entrepreneurship.

In the present study, the EBI among the farmers is confined to less than 20 per cent, 20 to 40, 41 to 60, and 61 to 80 and above 80 per cent. The distribution of farmers on the basis of their EBI is shown in the following Table.

Entrepreneurial Behaviour Index Among Farmers

Sl.No	Entrepreneurial Behaviour Index (in percentage)	Number of Farmers			Total
		Marginal	Small	Big	
1.	Less than 20	31	14	6	51
2.	20 – 40	29	21	16	66
3.	41 – 60	47	39	29	115
4.	61 – 80	14	29	28	71
5.	Above 80	7	15	17	39
	Total	128	118	96	342

The important indices among the farmers are 41 to 60 per cent and 61 to 80 per cent, which constitute 33.63 and 20.76 per cent to the total respectively. Farmers with an EBI of above 80 per cent constitute 11.40 per cent to the total. The most important EBI among the marginal, small and big farmers is 41 to 60 per cent. It constitutes 36.72, 33.05 and 30.21 per cent to their respective totals. Seventeen big farmers have an EBI of above 80 per cent.

RESULTS AND DISCUSSION

The level of innovation among the marginal and small farmers was very low whereas among the big farmers, it was moderate. The most important level of decision-making ability among the marginal farmers was very poor whereas among the small and big farmers, it was moderate. The important level of economic motivation among the marginal farmers was low whereas among small and big farmers, it was high. The level of risk-taking ability among the marginal farmers was very low whereas among the small and big farmers it was moderate. The level of the information-seeking ability among the marginal and small farmers was moderate whereas among the big farmers, it was high. The level of leadership ability among the marginal farmers was low whereas among the small and big farmers it was moderate. The most important Entrepreneurial Behaviour Index (EBI) among all three groups of farmers was 41 to 60 per cent. Among the marginal farmers; the experience in farming was 10 to 20 years whereas among the small and big farmers, it was 21 to 30 years.

The Regulated Markets may provide in time, adequate information relating to production, demand and price of various crop at different places. They may establish an online system to provide such information to those who need it. The information system may be connected at the national

level through internet. The Regulated Market may create an advisory board which consists of various farmers and traders. The board may consult both the parties on grievances and formulate suitable steps to remedy them. Since training, orientation and counseling are highly essential for farmers and traders, the Regulated Markets Authority may create a separate wing with agriculturalists, professors in agriculture, marketing and management. The wing should provide the necessary training and counseling to the required persons related to the Regulated Markets. The Market Committee will be well versed to arrange seminars, workshops and exhibitions in various districts.

## CONCLUSION

The entrepreneurial behavior is vital for a farmer as he, like an entrepreneur ventures out into risky endeavour of cultivating and marketing the produce. The present study has highlighted the need to improve decision- making ability among the farmers and their level of innovations in farmer practices. It is the need of the hour that farmers have to assume risk to encounter challenges, if any. It is the Entrepreneurial Behaviour Index which has thrown light on the variables of entrepreneurial behavior of farmers belonging to various sects, thus providing deep insight into the farmers resolve to stay put in the agricultural operations for the years to come.

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