



A STUDY ON PERCEIVED BARRIERS TOWARDS ENTREPRENEURSHIP IN AGRICULTURE

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ABSTRACT

Agriculture is backbone of Indian economy. The Agriculture sector faces various challenges from production to marketing, internal to external. Along with the challenges there are various opportunities lies in the agriculture and allied activities. There is huge scope for entrepreneurship in Agriculture which is eventually known as Agriprenurship. The present study aims to investigate the barriers for Agriprenurship. Descriptive research design was employed and cross sectional data was collected to achieve the aim of the study. The data were collected form 150 respondents by applying snowball sampling method. The exploratory factor analysis was performed on primary data and factor analysis yielded four major barriers Infrastructure Accessibility, Perceived Risk perspective, Weather Concern and Knowledge Perspective.

KEYWORDS: *Agriprenurship, Agribusiness, Entrepreneurship*

INTRODUCTION

Entrepreneurship is one of the driving forces for the achievement of economic development and job creation (Sandhu, 2010 ; Gorman, 1997). Entrepreneurial development and operations have been identified across the globe as viable mechanism and means of efficient economic progression (Adewale, 2015). Entrepreneurship is considered as innovation and competition (Gorji & Rahimian, 2011). According to UNFPA report 2014, world's largest youth population is in india (356 million – 10 to 24 years) the unemployment is one of the concerning issue for the country. Entrepreneurship is the key for the unemployment of country which is the one of the burning issue for the country.

Agriculture is backbone of Indian economy. The significant population of country depends on Agriculture and allied activities. It is the primary source of livelihood for 58 percent population in India (IBEF, 2020). Entrepreneurship in agriculture can also be referred as Agriprenurship. Opportunities for entrepreneurship in agriculture lies at various stages of production and marketing of agricultural produce such as farming stage, value addition, supply chain, marketing, agricultural inputs and related services. Addition to this, the agriculture faces challenges of climate change, information system, post harvest losses, changing weather pattern, changing consumer habits, reduction in land, excessive use of chemical etc. the opportunities of agriprenurship also lies there. The agricultural students are those who studied the agriculture and its aspects in detail. The present study focuses on whether these agricultural students willing to adopt agriprenurship, and

further which are the barriers that plays pivotal role for agriprenurship.

REVIEW OF LITERATURE

So far as individual barriers are concerned lack of familiarity in establishing the working relationship and weakness in decision making are two important factors. In case of organizational barrier the several trustees in entrepreneurship and condition and complexity of the rules are two important factors. In case of social and cultural barriers two important barriers were competitive nature and rule of brokerage and intermediation. In case of economic barrier the lack of financial support from bank and interest on load were two major barriers. (Kashani et.al , 2015)

Aversion to risk, Aversion to stress and hard work (stress), fear of failure, lack of social networking and lack of resources are major barriers to entrepreneurship. Further, the marital status and gender were found to be more important factors influencing entrepreneurial inclination. The male students, married students are more inclined towards entrepreneurial activities. The post graduate students were more inclined towards entrepreneurship. (Sandhu et.al , 2010)

Lack of capital, lack of skill, lack of support, lack of market opportunities and risk are the main obstacles to entrepreneurial intention. In case of employment the lack of experience, corruption, nepotism, lack of training and lack of relevant skill are the major challenges. (Boateng et.al, 2014)

Entrepreneurship among students positively correlated with entrepreneurship support, lack of saving, lack of



information, fear of starting business, fear of failure, lack of exposure and course content. (Adjei et.al, 2014)

Entrepreneurial Intention, Motivation, Knowledge & Skill constraints, Market constraints, and funding constraints are major factors affecting entrepreneurship and out of that other than entrepreneurial intention and motivation are barriers which affect the entrepreneurship. Further the correlation analysis found entrepreneurship has negative correlation with market constrains and funding constraints. (Loannis & Fotis, 2016)

RESEARCH METHODOLOGY

The present study aims to investigate the perception towards barriers of entrepreneurship in Agriculture (Agriprenurship) among agricultural background students. To achieve the objectives descriptive research design was applied in present study. The cross sectional data were collected using questionnaire. The structured questionnaire was designed with questions related to demographic profile and related to barriers to agriprenurship. In the questionnaire multiple choice close ended questions were designed and for barrier to agriprenurship data were collected on five point rating scale where (VI- Very important, I-Important, N-neutral, NI-Not Important, NIA- Not Important at all). The questionnaire was

transferred to online data collection platform and it was disseminate to the students of agriculture. The snowball sampling method was applied for the present research. The sample size was kept 150. The collected data were coded and analyzed with the help of computer software. The data were analyzed with descriptive statistics and multivariate technique.

DATA ANALYSIS

Demographic Profile of Respondents

For the present study 150 respondents were surveyed and the demographic profile of the respondents were also studied and it was found that out of 150 respondents 70.7 percent respondents were male and 29.3 percent were female. In case of education the 58.7 percent respondents were educated up to post graduate level followed by 39.3 percent at graduate level. Out of total respondents 54.7 percent respondents were from rural background followed by 30.7 percent from urban background and 14.7 percent from semi-urban background. Out of total respondents 90.7 percent respondents wants to become agriprenurwhere as 9.3 percent respondents were not interested in agriprenurship. The average age of respondents were found 22.14 years.

Table-1 Barriers to Agriprenurship

Parameters	N	VI	I	N	I	NIA	Mean	Std. Deviation	Rank
Availability of Land	150	84	46	13	5	2	4.37	.878	IV
Availability of Labour	150	67	63	15	5	0	4.28	.778	VII
Availability of Capital	150	82	51	14	3	0	4.41	.744	III
Proper Agriculture Knowledge	150	97	38	12	2	1	4.52	.757	I
Govt Policies	150	50	69	27	4	0	4.10	.784	VIII
Climate Change	150	71	62	13	4	0	4.33	.748	V
Marketing Support	150	74	66	9	1	0	4.42	.637	II
Seasonality	150	66	64	19	1	0	4.30	.712	VI
Fear of Failure	150	35	65	35	11	4	3.77	.977	X
Not Considered as Good Profession	150	17	43	46	18	26	3.05	1.250	XI
Perishable Produce	150	49	71	24	3	3	4.07	.864	IX

The respondents were asked to rate 12 parameter based on the importance which can be act as barrier to agriprenurship on five point rating scale where (VI- Very important, I-

Important, N-neutral, NI-Not Important, NIA- Not Important at all). Out of 12 parameters 11 were considered for the analysis and based on the responses the mean for each parameter was



calculated and accordingly ranks were also given which is presented in table-1.

As the table depicts the important barrier was proper agricultural knowledge (mean= 4.52 : s.d= 0.757) followed by marketing support (mean= 4.42, s.d= 0.637), Availability of capital (mean= 4.41 , s.d=0.778), Availability of Land (mean= 4.37, s.d= 0.878), climate change (mean= 4.33 , s.d= 0.748), seasonality (mean= 4.30, s.d= 0.712) whereas least important factors were fear of failure (mean= 3.77, s.d= 0.977) and not considered as good profession (mean= 3.05 , s.d= 0.977). The reliability of the 11 parameters was checked by calculating cornbach's Alpha. The cornbach's Alpha value above 0.6 is appropriate. For the present study it was found 0.712.

Factor Analysis

Factor analysis is multivariate data analysis technique which is used for the data reduction, it identify the small number

of factors that explain most of the variance observed in a much larger number of manifest variable. To check the appropriate data for factor analysis two tests have been conducted. i. Bartlett's test of sphericity and ii. Kaiser- Meyer- Olkin (KMO) measures of sampling adequacy. The result presented in table-2. The approximate chi-square value was found 362.540 at 55 degree of freedom for Bartlett's test of Sphericity which is significant at the 0.05 level (value= 0.00). So, it can be inferred that the variables in population are correlated. Generally, the value of KMO measures of sampling adequacy, falls between 0.5 to 1.0, which indicates factor analysis is appropriate and value below 0.5 indicates inappropriateness of the analysis. For the present study the Kaiser- Meyer- Olkin measures of Sampling Adequacy value obtained is 0.724, so, it can be inferred that data are appropriate for factor analysis.

Table-2 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.724
Bartlett's Test of Sphericity	Approx. Chi-Square	362.540
	Df	55
	Sig.	.000

To do the factor analysis the "principal component method" is selected and eigenvalue greater than 1 is considered. Further, the Varimax with Kaiser Normalization rotation method was employed. The rotated component matrix

was presented sorted by size and the coefficients were suppressed having value below 0.4. The factor analysis yielded 4 factors which explain 64.314 percent of total variance which is shown in table 3.

Table- 3 Total Variance Explained

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.190	29.000	29.000	3.190	29.000	29.000	2.530	23.000	23.000
2	1.706	15.513	44.513	1.706	15.513	44.513	1.609	14.630	37.630
3	1.165	10.593	55.106	1.165	10.593	55.106	1.486	13.510	51.140
4	1.013	9.208	64.314	1.013	9.208	64.314	1.449	13.175	64.314
5	.799	7.266	71.580						
6	.765	6.958	78.538						
7	.599	5.444	83.982						
8	.553	5.026	89.008						
9	.477	4.338	93.347						
10	.420	3.816	97.162						
11	.312	2.838	100.000						

Extraction Method: Principal Component Analysis.



Table- 4 Rotated Component Matrix

Rotated Component Matrix ^a				
	1	2	3	Component
				4
Availability of Labour	.806			
Availability of Land	.784			
Availability of Capital	.763			
Marketing Support	.581			
Agriculture is not Considered as Good Profession		.815		
Perishable Produce		.727		
Fear of Failure		.554		
Climate Change			.818	
Seasonality	.429		.678	
Govt Policies				.854
Proper Agriculture Knowledge				.640
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 8 iterations.				

The factor analysis yielded with four factors namely Infrastructure Accessibility, Perceived Risk perspective, Weather Concern and Knowledge Perspective which are presented in table 4 and summarized in table -5. The first factor termed as “Infrastructure Accessibility” due to high loading to factors like availability of labour (0.806), availability of land (0.784), availability of capital (0.763) and marketing support (0.581) which explain 23 percent of total variance. The second factor termed as “Perceived Risk perspective” due to high loading to factors such as not considered as good profession (0.815), perishable produce (0.727) and fear of failure (0.554) which explain 14.630 percent of total variance. The third factor

termed as “Weather Concern” due to high loading to the factors like climate change (0.818) and seasonality (0.678) which explain 13.510 percent of total variance. The fourth factor termed as “Knowledge Perspective” due to high loading to the factors like Government policy (0.854) and proper agricultural knowledge (0.640) which explain 13.175 percent of total variance. The present study will be helpful to policy makers in crafting the strategies to make entrepreneurship in agriculture attractive. Further it will also helpful in identifying the concerning area such as availability of resources and strategies to overcome so youth can be benefited.

Table- 5 Summary of Factors

Factors	Variables	Factors Name
Factor – I	<ul style="list-style-type: none"> • Availability of Labour • Availability of Land • Availability of Capital • Marketing Support 	Infrastructure Accessibility
Factor – II	<ul style="list-style-type: none"> • Agriculture is not Considered as Good Profession • Perishable Produce • Fear of Failure 	Perceived Risk perspective
Factor – III	<ul style="list-style-type: none"> • Climate Change • Seasonality 	Weather Concern
Factor - IV	<ul style="list-style-type: none"> • Government Policies • Proper Agriculture Knowledge 	Knowledge Perspective



CONCLUSION

The present study aims to understand the perceived barriers of agripreneurship (entrepreneurship in agriculture) and the cross-sectional data were collected from 150 respondents. The study found that the barriers to aripreneurship are proper agricultural knowledge followed by marketing support, Availability of capital, Availability of Land, climate change, seasonality whereas least important factors were fear of failure and agriculture not considered as good profession. The factor analysis yielded four major four major barriers namely resources for agriculture, Social status and fear, Uncertainty and government policy & knowledge influence agripreneurship. The study outcome will be helpful to the policy makers in designing appropriate strategies to promote entrepreneurship in agriculture. So broadly it has been found that possibility and feasibility of agripreneurship depends on Infrastructure Accessibility, Perceived Risk Perspective, and Weather condition and knowledge perspective among the potential entrepreneur. So if government consider this four dimension which hampered the growth of agripreneurship and accordingly do some intervention programmes in terms of educating and coaching potential entrepreneur in agriculture area then definitely more entrepreneurial activities flourish.

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