

Entrepreneurship Development In Agribusiness Enterprises: A Study Of Kumaun Mandal Region Of Uttarakhand State Of India

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ABSTRACT:

The study mainly wanted to find out the aspects having an impact on the entrepreneurship growth and progress of small and micro agribusiness firms. First hand responses from 200 proprietors/supervisors of small and micro agriculture related business projects in Kumaun mandal region of Uttarakhand state was rationally chosen for the research. The same was analyzed using expressive statistical tools and models of multiple regression of analysis. Results explain majority of the owners and managers of agribusiness being male (86%), married (75%). The results of the study revealed that the greater part of the respondents (55%) had graduation level education and had started agribusiness (48%) because they could not find any other source of earning livelihood

Factor analysis from various regression analysis illustrated that factors like age, gender, marital status and probable production volume had an encouraging association with the level of association with agribusiness enterprise while the entrepreneur's family size and key source of livelihood had negative relationship. Secondary source of income, membership of Cooperative and educational skills were not extensively correlated with level of involvement in agribusiness enterprise development. The research paper advocates useful and satisfactory entrepreneurship policies such as removal of middle men as they hinder the growth and development of agribusiness entrepreneurship as a way of actualizing the existing startup schema of the present government of Kumaun region of Uttarakhand State on entrepreneurship encouragement.

Keywords: Entrepreneurship, development, agribusiness enterprise, barriers.

INTRODUCTION

The strikingly beautiful state of Uttarakhand is located in the base of the Himalayas. It is adorned by magnificent snow-capped mountains in the North and adorned by tropical forests in the south. The state is mainly divided into two regions: the western Kumaun mandal region and the eastern Kumaon mandal region. The topography of the state, the diverse location and diverse climate of the state make it idle place for development of horticulture, medicinal and aromatic plants and agro processing industries. Both the central and state level administrations have accredited the importance of Agribusiness Small and Micro agro- Enterprises (MSME'Ss) on job generation, enhancement of general public's standards of livelihood and thus having an impact on the whole impact on the financial system. Thus supporting entrepreneurship in the segment is an effective and useful technique of expanding the economic dependability on agribusiness for overall development. The expression entrepreneurship has appropriately been used to explain the dynamic process of creating incremental wealth (Shailesh et al., 2013).

The assets are formed with the help and contribution of individual persons who face the foremost risks presented by means of equity, occasion and delivery service obligation to a number of products and services. The produce produced or the service rendered may not be innovative or else exclusive but worth and value must be developed and imparted by the entrepreneur in it. This can be done by infusing and apportion of the necessary skills and resources. Entrepreneurship is the application of energy for initiating and building an enterprise (Mishra et al., 2010). Improvement in rural entrepreneurship has always presented itself as a vital and imperative strategy of the government. Doing so amplifies the worth of farm produce and prepares the segment for businesses which are in explicable departure from what was attained and obtained in the past. Therefore, a course of action of this type necessitates the expansion of entrepreneurial and managerial proficiency in farmers of the area. Developing entrepreneurial skills in farmers can lead to two advances.

The primary reason leads the way by making improvements in the societal, fiscal, political, and literary layouts that hamper, and promote their improvement. The next is supporting farmers, by the use of their qualities and abilities, to encourage and develop their entrepreneurship traits.

If the competitiveness of agro-enterprise is to be enhanced the same can be done by promoting entrepreneurial actions. Agribusiness or agro-enterprise, segment majorly comprises of the rural small and medium size enterprises functioning and involves all partakers in a product or service upright arrangement, from providers, farmers, assembly line workers, product and service processors and wholesale and retail distributors to ultimate domestic and global clients.

The agribusiness MSME's are of significance mostly to the Kumaun Mandal region, Uttarakhand State economy because they improve monetary development, help hasten expansion and are a trade resolution to rural poverty.

It is in particular a pleasure to realize that government has apprehended that the two notions, entrepreneurship and agribusiness are not reciprocally exclusive and has extended its support for their expansion and development. In India, although government and private expansion programs are available to endorse and encourage entrepreneurship, most agribusinesses still stumble upon challenges that lead to hindrances in entrepreneurial actions.

The challenge and test in this research area lies in evaluation of the intensity of entrepreneurial impel, and the significant aspects that would comprise of the structure which can function as an foundation for construction of a stage on which entrepreneurial enterprises can prosper and flourish. It is observed that from the economic point the degree of entrepreneurship impel in agribusiness projects, degree of intention to be occupied in agricultural fabrication and aspects that persuade entrepreneurship in agribusiness projects are not well acknowledged in India.

Radhika Kapoor in her paper in 2018 stated that the economic development of the nation depends upon industrial development and is based on entrepreneurship qualities of an entrepreneur. She also states that the role of entrepreneurs towards economic development is inevitable and laid down the importance of economic packages from government for promotion of small and medium enterprises. Her research also emphasized the importance of women entrepreneurs.

Jancikova (2004) studied the monetary aspects distressing farming entrepreneurial ventures mentioned that two extensive factors namely measurable and immeasurable factors participated in influencing the entrepreneurial ventures. As per the study, factors which can be measured includes geographical location of the place, quality of land, and size of the institute, organizational composition and structure of the firm and financial incentives for employees. Immeasurable factors in the study contained the superiority

of management team, leadership, style of the entrepreneur, staffs' thoughts and feelings towards the organization and non-financial incentives provided by the employers to the employees.

In literature, Bommies and Kolb (2004) have scrutinized the financial traits making an impact on Entrepreneurship at two stages i.e. of structural and individual arrangement. In the reading, structural arrangement refers to the obstructions and prospects, and personal position means the individual capacities and boundaries. Whereas Structural sites includes supplies and facilities, right to use to bank credit and advances, cutthroat market competition and prevailing rates of taxation on other hand, personal position covers the accomplished and skilled employees, human capital and revenue level.

Other observed evidences evident from some research learning's on entrepreneurship growth in crop growing (Seyed et al., 2011 and Shailesh et al., 2013 Nwibo and Okorie, 2013) provided with assorted outcomes that are not conclusive and contradictory to each other. Thus, the subject of understanding and analyzing entrepreneurship growth in agriculture is still exemplary and deserves more fruitful research. Also, pragmatic verification of the data gathered is mainly inadequate, inaccessible and lacks deep study of the entrepreneurship expansion in agribusiness enterprises in Kumaun Mandal region of Uttrakhand State of India. This lack of research creates a huge lacuna in understanding of entrepreneurship development and is the research gap the present study would try to fill.

The present study particularly inspects the socioeconomic distinctiveness of agribusiness possessors and supervisor in the study area; recognizes the degree of entrepreneurship constrain in agribusiness in region; establishes the reason behind the of purpose of being occupied in agribusiness venture in the region and segregate factors influencing entrepreneurship expansion in agribusiness in the study area.

II. Methodology

Present study was carried out in Kumaun Mandal region of Uttrakhand State of India. Uttrakhand State is rapidly emerging as one of the best states in India for establishing and growing business. Its growth is powered by the massive growth in capital investments because of states conductive industrial policy and generous tax benefits. The state is divided into 13 districts (7 in Garhwal region and 6 in Kumaon region) The sample frame for this article consisted of small and micro agribusinesses in Kumaun region. The sample entities for the research examination were the small and micro agribusiness firm proprietors and supervisors of Kumaun Region

The study used a partially controlled conversation with the entrepreneurs which permitted easy and successful the employment of questionnaires by the researcher. The questions asked obtained information on the social and economic demography's of the farmers, opinion of entrepreneur on factors which influenced agribusiness that is influence of factors like societal, psychosomatic, financial, administrative, marketing, training and cultural were gathered in a 5 pointer likert scale structure. Altogether, 200 responses were governed, gathered and made use in the study.

Various Descriptive scales of statistics like frequency, percentages, mean and standard deviation were studied for summarizing the gathered information while multiple regression study were used to establish the influence of socio-economic factors on agribusiness entrepreneurship development.

III. Findings and Discussions

a) Socio-economic representation of participants

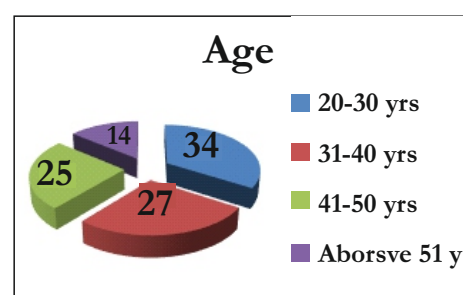
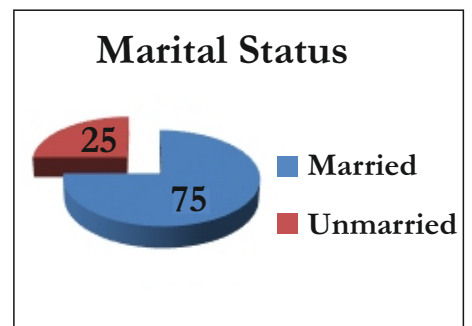
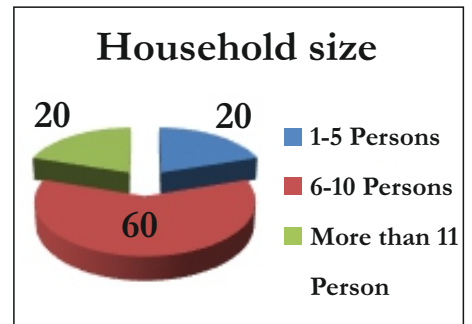
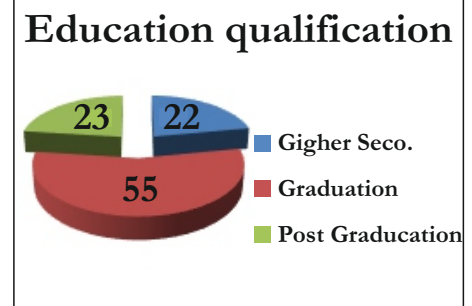
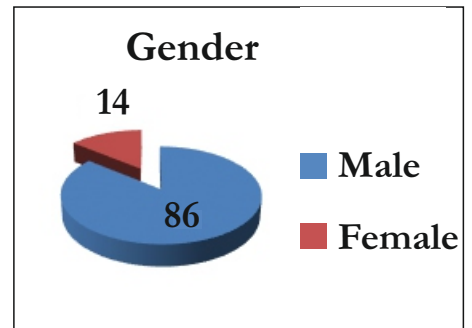
The social and economical uniqueness of small and micro agribusiness proprietors and supervisors are represented in pie charts below. The pie chart demonstrate that the greater part (about 34) of the research respondents were between 20-30 years of age whilst just 14% were over 51 years. The mean of the age of the respondents was 32.6 yrs. The charts, advancing reveal to facilitate that about 22% of the respondents had received basic level of educational qualifications whereas more than 50% of the research participants, that is 55 %, had received graduation level educational qualification. The research results indicate that the farmers possess suitable and satisfactory educational background that is appropriate and applicable for adoption and implementation of modernization skills required for entrepreneurship development in Kumaun region. It is predictable that the elevated level of learning contributes significantly in the decision making of the possessors of agribusiness for entrepreneurship maturity. As indicated male agribusiness entrepreneurs were more in number (86%) than female (14), further strengthening the notion of male supremacy in the business world. The charts of marital status showed that three-quarters (75%) of the entrepreneurs were married and about 25% were unmarried.

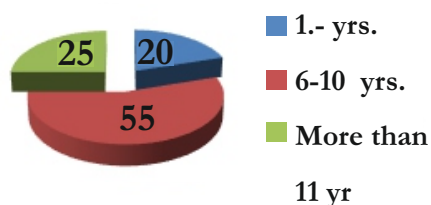
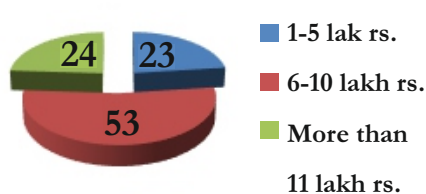
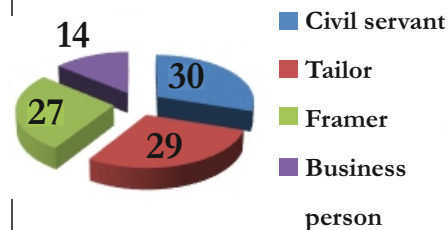
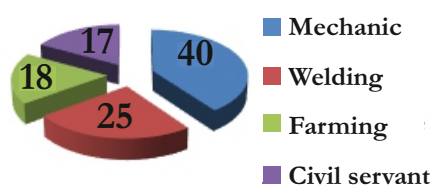
A business owner with previous experience in administrative and entrepreneurship would obviously be in possession of the essential skills for fulfilling the function requirements of a business venture. In the present study, 25% of the cumulative respondent sample has more than 11 years while 55 % possessed 6 to 10 years of industry familiarity. Business Entrepreneurs with less than 5 years of business and entrepreneurship experience are only 20.00%. The mean business understanding was 12.20. The distribution of agribusiness entrepreneur according to their household size shows

that greater part (60%) of the owners/managers had household size of more than 11 persons while about 20 % had household size of 1-5 persons and 6 to 10 persons each. This makes us understand that the entrepreneur farmers in the research area have a large number of members in their families. Having large household size ensures availability of family unit members as labor to address labor problems in the area.

The charts further reveal that the normal annual income from farm of the majority (53%) of the farmers is between INR 600,000 and 10,00,000 about 23% had an average income between INR 1,00,000 and INR 5,00,000. This implies that the study participants although have a big family to support; their income is high.

The pie charts also show the distribution of Business size for the proprietor of agribusiness. It can also be observed from chart that 30% of the respondents are civil employees, 29% are tailors, 27% are farmers and 14% are Business persons. The results state that, majority of the respondents (30%) were civil employees and yet considered agribusiness as their primary source of income. The result charts also show the allocation of the secondary source of livelihood of the study participants. Analysis of the chart, reveal that, 40% of the participants were mechanics, 25% welders, 17% were civil servants and 18% were farmers. From this we can conclude that, majorly the respondents are either mechanics (40%) or welders (25%) respectively.



Yrs. of buss. Experience**Avg. Annual Income****Primary Occupation****Secondary Occupation**

b) Forms of Business and Motivation for Business

Table 1 below, helps us conclude that most agribusiness owners fulfill their businesses responsibilities through sole trader form of Business Organization. Sole Trader ship constitutes 74% of the businesses in the study. The remaining 26% respondents followed partnership form of Business.

Table 2 shows that most of the agribusiness entrepreneurs (48%), were aggravated to establish their own agribusinesses for the reason that they could not find employment in their area of study, this was followed by those entrepreneurs who were motivated to become entrepreneurs by the excitement and search for liberty coupled with operating own business (21%). Only about 15% and 16% of entrepreneurs find monetary grounds and self employment in that order as an impel for being entrepreneurs in agribusiness.

Table 1:Form of Business

	Frequency	Percent
ValidSole tradership	148	74.0
partnership	52	26.0
Total	200	100.0

Table 2:Motivation for Agri business

	Frequency	Percent
Financial reason	30	15.0
Could not find other work	96	48.0
Independence	42	21.0
Self employment	32	16.0
Total	200	100.0

c) Influencing factors in development Entrepreneurship in Agribusiness Enterprises

Several factors such as monetary, societal, administrative, promotional were studied for establishing their effect on Entrepreneurship Development in Agribusiness Enterprises, This would help in establishing a solution to the existing barriers in entrepreneurship development in the field of agribusiness. Several studies have previously presented the apparent obstructions to agribusiness entrepreneurship expansion around the world. The studies also how the barriers have an influence on the level of motivation (Esiobu, Onubuogu and Ibe, 2015, Okoli, Anyaegbunam, Etuk, Opara, and Udedibie, 2005etc).To provide with an solution to the existing barriers in entrepreneurship in Kumaun region of Uttrakhand State, a 32 item likert scale was developed and used. The same has been shown in the table below:

Table 3: Descriptive Statistics

Indicator Number	Pointer	Variable	Mean	Std. Deviation
1.	Financial Factors	(a) Price stabilization of available agriculture products.	4.61	0.75
		(b) Income Satisfaction	4.32	0.81
		(c) Accessible data on Economic and marketing Statistics	4.01	0.82
		(d) Adequacy of investment in agri-business	4.18	0.92
		(e) appropriateness of transportation and support for exporting agricultural products	3.73	0.82
2.	Social Factor	(a) Tendency to group work	3.81	1.269
		(b) Providing insurance for entrepreneurs	4.67	0.74
		(c) good affinity with associates and colleagues	4.07	0.88
		(d) satisfactory insolvency rules	3.00	1.263
3.	Managerial Factors	(a) Reasonable distribution of profits amongst workers	4.03	1.267
		(b) understanding and support of Workers	3.01	1.307
		(c) capability to present headship by agribusiness administrator	3.13	1.228
		(d) malfunction and mistake acceptance in Innovation	3.03	1.210
		(e) use of staffs' thoughts and propositions in taking decisions	3.62	0.65
4.	Marketing Factors	(a) efficient publicity to draw fresh Clients	4.48	0.78
		(b) straight trade of harvest exclusive of Mediators	4.62	0.80
		(c) knowledge with nationwide and local Markets	4.69	0.57
		(d) acquaintance with home bazaars	3.03	1.235
5.	Training	(a) use of new technique of training	3.41	0.86
		(b) Empowerment through guidance programs to improve agribusiness entrepreneurship	3.50	1.08
		(c) admittance to PC and Internet	3.03	0.69
		(d) interim proficiency advancement courses	3.50	1.08
		(e) Building and intensification Consultancy	3.38	0.82
6.	Psychological Factor	(a) eagerness to attain big achievements	4.11	0.86
		(b) elevated self-assurance and self-sufficiency	3.81	0.71
		(c) High inclination to self-employment	4.60	1.02
		(c) High inclination to self-employment	4.60	1.02
		(d) High motivation to discover fresh resource	3.92	0.95
		(e) Apply own imagination	3.65	0.79
7.	Cultural Factor	(a) combine official familiarity with indigenous knowledge	4.08	0.89
		(b) helpful relations with an optimistic vision towards agribusiness entrepreneurship	3.75	1.02
		(c) loyal associates and connections	3.90	0.87
		(d) Possessing team work spirit	4.01	0.98

Table 4 clearly indicates that the most important factor perceived amongst the various available factors in economic factors is direct sale without intermediaries with a mean of 4.61. Price stabilization holds an place of importance because of the existing agriculture products price volatility. Providing insurance to farmer entrepreneurs with a mean of 4.67 has been perceived as the most important social factor. The importance to this factor shows the nervousness among farmers about their business.

For development of Agribusiness in Kumaun region fair sharing of benefit among employees with a mean of 4.03 has been considered as the most important managerial factor. This leads us to understand that inequality in sharing of benefits achieved can lead to dissatisfaction among employees affecting their job performance an ultimately the growth of agri-business. For marketing factors, knowledge of the local and global business was ranked the highest with a mean of 4.69 whereas empowerment of employees through training and development activities achieved a mean of 3.50. This made training the most important item according to the owners and managers for development of entrepreneurship.

The zeal and zest to achieve greater things with a mean of 4.35 and positive and supportive family in regards to agribusiness entrepreneurship with a mean of 4.43 are considered items of importance under the psychological and cultural factors.

Under table 4, the mean values for each of the 7 factors are pooled to establish their importance in development of agribusiness in Kumaun region of Uttarakhand state. The study implies that an increase in the facilities would lead to increased entrepreneurial drive among the agribusiness owners.

Table 4: Values of Mean and Standard Deviation of Development of Entrepreneurship in Agribusiness from various factors

Rank	Factors	Median	Median
1	Marketing Factors	4.20	0.84
2	Economic Factors	4.17	0.82
3	Psychological Factors	4.01	0.86
4	Cultural Factors	3.93	0.94
5	Social Factors	3.88	1.03
6	Managerial Factors	3.40	1.13
7	Training	3.36	0.90

The best factors to be ranked in marketing with a mean of 4.20, followed by economic factors with a mean of 4.17. the next factors were the psychological factors with a mean of 4.01.

d) Analysis of Socio-economic factors using Regression

Table 5 below, presents the estimated results of regression analysis

Table 5: Estimated values of factors affecting Agribusiness Entrepreneurship development

Variables	Coefficient	Standard Error	T-value
Age	72004.73	28755.81	2.40**
Gender	29549.86	4170.12	6.89***
Marital Status	4256.54	2478.58	1.56*
Household Size	-0.020	0.26756	2.15**
Primary occupation	-3.221	-1.06	-2.37**
Secondary occupation	-0.022	0.65990	-0.032
Educational Qualification	0.001	0.00013	0.13
Constant	0.065	0.15016	1.10**
R ²	0.659		
Adjusted R ²	0.685		
F-Statistics	73.4		

***= 1% significant, ** 5% significant, *10% significant

On adjustment the coefficient of determination (R^2) presents a value of 0.685, as shown by table 5. This implies that 68% of variation in entrepreneurship development is explained by the independent variable of the study. The table further reveals that the performance of individual variables indicating that secondary occupation and educational qualification do not have any significant influence on the development of entrepreneurial activities in agribusiness enterprises in the study area of Kumaun region.

In terms of education majority of the participants have completed graduation while a few have higher university level education. This leads to the conclusion that level of education has no bearing on the agribusiness development in Kumaun region. This also indicates that the real knowledge gain happens outside the classroom rather than inside the classroom.

Secondary occupation coefficient (-0.022) makes us believe that majority of the agri-business owners do not have any feasible source of secondary income. It is possible that with an increase in education majority of the entrepreneurs might consider other options of livelihood.

Out of the nine parameters examined five turn out to be the main factors have an influence on the contribution of entrepreneurs on the agribusiness development. These factors are Age, gender, Marital Status, family size and primary occupation. Of this Age, gender, marital status displayed a positive relationship with agribusiness involvement while household size and Primary occupation displayed a negative relationship. This implies that an increase in age, gender, marital status and estimated business size would increase the levels of involvement in entrepreneurs of agribusiness. As the age of the owner or manager increases the greater is their involvement as entrepreneurs in their agribusiness. Age is positively related suggesting that This although is in contrast to

previous studies (Rafael, et al, 1999 and Olomola, 2000) which presented a negative relationship between age and entrepreneurial activity involvement. The coefficient of gender in the research outcomes in $\beta=29549.86$ which is greater than 0, indicating more involvement of male entrepreneurs than female entrepreneurs. Positive significance of marital status helps in concluding that marriage leads to more involvement in business.

As anticipated, the size of business has positive and significant impact on business size. The bigger the business the more the entrepreneur is involved in the business. The point in fact is that the bigger the business is the bigger are the possibilities and opportunities for reinvestment and diversification for the entrepreneur.

Household size and primary occupation were negatively related indicating their unhelpfulness in increasing the level of involvement in business by the entrepreneur. Although large family size supports farm labor but in the current study it leads to resource depletion. Resources available and that could be used will be diverted in fulfilling the large family requirements.

IV. Conclusion and Recommendations

The main objective of the paper was to establish upon the required factors influencing development of entrepreneurship in Kumaun region of Uttarakhand State of India. The study gathered and analyzed data from 200 owners and managers of small and micro agribusiness firms of the region. These respondents were purposefully chosen and the data gathered was analyzed using descriptive statistics and regression analysis model.

The state of Uttarakhand has started many initiatives to present itself as an ideal place for startups; the government schemes have resulted in registration of 66 startups.

These startups have already started making their mark on the Healthtech, Agriculture and Tourism industries not only in India but around the world.

The findings from the study reveal that amalgamating management knowledge with local knowledge, with acute eagerness to do work, using current educational processes and techniques are important factors for development of agribusiness in the Kumaun region. The other factors adding to entrepreneurship growth are knowledge about the local market, sharing of business benefits with employees, efforts of price stabilization and removal of middlemen by the government. Lastly, having supportive family is also one of the most important factors affecting entrepreneurship development.

The results arrived at also imply that a raise in age, gender, marital status and business size directly impact the involvement in agribusiness. Positive relation of age suggests direct relation of age on the amount of involvement in agribusiness entrepreneurship.

Also, marketing factors followed by social and economic factors were ranked highest amongst the other factors in determining the importance on development of agribusiness entrepreneurship. Parameter estimates reveal that all factors other than family size and primary occupation have positive correlation with level of involvement in agribusiness enterprise. Whereas, secondary occupation and educational attainment were not significantly related.

The importance of agribusiness small and micro enterprises cannot be denied. These enterprises hold a place of importance in economic development of the region. And hence, it is necessary to identify the factors bearing an influence on the development of Agri-business enterprises in Kumaun region.

Against this background, the following recommendations are made towards the development of agribusiness entrepreneurship in Kumaun region of Uttarakhand State:

The government should develop adequate and effective policies addressing the needs of price stabilization and bring an end to the factors hindering the growth of agribusiness in the region. More can be done under the startup India initiative.

The education policy should be reframed to encompass entrepreneurship education at all levels. Also capacity building for diverse enterprises in agriculture are advocated.

Agribusiness owners in the Kumaun region should be made available easy loan facilities. Doing so would motivate them to increase the size and capacity of their business.

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