

Entrepreneurial behaviour of dairy farmers in Ahmednagar district of Maharashtra, India

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ABSTRACT

The study was conducted to analyze the entrepreneurial behaviour of dairy farmers in Ahmednagar district of Maharashtra. Total 120 dairy farmers, who were beneficiaries of Dairy Venture Capital Fund Scheme were selected as respondents. The results of the study revealed that the highest Entrepreneurial Behaviour Index (79.08) was found in co-ordinating ability attribute of entrepreneurial behaviour and was ranked first, followed by innovativeness, cosmopolitaness, risk orientation, planning ability, self confidence, achievement motivation and decision making ability, respectively. Majority of respondents possessed medium level of entrepreneurial behaviour followed by low and high entrepreneurial behaviour level. The study further revealed that education, training received, land holding, experience in dairying, herd size, milk production, total annual income, mass media exposure and extension contact had positive and significant relationship with their entrepreneurial behaviour level, whereas age had negatively significant relationship with entrepreneurial behaviour of beneficiary dairy farmers.

Key words: Dairy farmers; Education; Entrepreneurial behaviour; Experience in dairying.

INTRODUCTION

The entrepreneurs are key persons of any country for promoting economic growth and technological change. The appearance of their activities, i.e. the development of entrepreneurship is directly related to the socio-economic development of the society. In the present era, it is being realized that entrepreneurship contributes to development of a country in several ways, viz. assembling and harnessing the various inputs, bearing the risks, innovating and imitating the techniques of production to reduce the cost and increase its quality and quantity, expanding the horizons of the market, and coordinating and managing the manufacturing unit at various levels. In fact, the rapid economic development of a country crucially depends upon the number of entrepreneurs in a country. Since, India is the largest milk producer in the world, role of dairy farmers is very important in dairy industry and socio-economic development of the society. According to Vijaykumar, (2001) entrepreneurial behaviour of a dairy farmers is the cumulative outcome of information seeking behaviour, farm decision making, leadership ability, risk taking ability, innovativeness, achievement motivation and market orientation of dairy farmers. In this context, it was felt necessary to study entrepreneurial behaviour of dairy

farmers based on eight components viz. innovativeness, achievement motivation, decision making ability, risk orientation, co-ordinating ability, planning ability, cosmopolitaness and self confidence.

MATERIALS AND METHODS

The present study was conducted to analyze the entrepreneurial behaviour among beneficiaries of Dairy Venture Capital Fund (DVCF) Scheme in Ahmednagar district of Maharashtra. Total 120 dairy farmers, who had taken loan under DVCF scheme, were selected as respondents by using proportionate random sampling from 12 villages. Data were collected by personal interview method using structured interview schedule and collected data were analysed by using appropriate statistical tools such as frequency, percentage, mean, standard deviation, spearman's co-efficient of correlation, ranking and analysis of variance. To analyse the entrepreneurial behaviour of beneficiaries, entrepreneurial behaviour scale developed by Chaudhri (2006) was used with minor modifications. The score obtained by individual respondent on 8 psychological attributes were pooled which was score of entrepreneurial behaviour for that respondent. Further respondents were categorized into low, medium and

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high group on all the 8 psychological attributes. Entrepreneurial behaviour index (EBI) was also calculated by using formula:

$$\text{Entrepreneurial behaviour index (EBI)} = \frac{\text{Obtained mean score}}{\text{Maximum obtainable score}} \times 100$$

RESULTS AND DISCUSSION

Entrepreneurial behaviour of beneficiaries: The entrepreneurial behaviour of beneficiaries studied and assessed using scale developed by Chaudhri (2006) with slight modifications. The entrepreneurial behaviour of beneficiaries comprised eight components, such as, innovativeness, achievement motivation, decision making ability, risk orientation, coordinating ability, planning ability, cosmopolitanness and self confidence. Entrepreneurs’ profile on these eight dimensions were analysed by pooling the scores obtained. Detailed data with regards to component wise have been furnished in Table 1 and the same have been interpreted and discussed, as follows.

Innovativeness: It could be observed from the Table 1 that, 82.50 per cent of beneficiaries had medium level of innovativeness, whereas 10.83 per cent of respondents belonged to high innovativeness. It was interesting to note that only 6.67 per cent of respondents belonged to low

innovativeness category. These findings are in accordance with the findings of Raut., (2010) who reported that majority (79.58 %) of dairy farmers had medium level of innovativeness.

Achievement motivation: Majority (81.67%) of beneficiaries had medium achievement motivation, whereas 15.00 per cent of beneficiaries belonged to low achievement motivation category, followed by high achievement motivation category (only 3.33%). The findings are in conformity with the findings of Raut (2009) who reported that majority (73.75%) of dairy farmers had medium level of innovativeness.

Decision making ability: The data from Table 1 showed that 73.33 per cent beneficiaries had moderate decision making ability, whereas 12.50 per cent belonged to good decision making ability and 14.17 per cent belonged to poor decision making ability. These findings are in conformity with Suresh (2004) who observed that majority (65.83%) of milk producers had medium level of decision making ability.

Risk orientation: It is evident from Table 1 that majority (89.17%) of beneficiaries had medium risk orientation, however 5.83 per cent of beneficiaries had high risk orientation, whereas meager per cent of beneficiaries (5.00%) had low risk orientation. The above findings are in accordance with the findings of Bhagyalaxmi *et. al.*, (2003) and Suresh

TABLE 1: Distribution of respondents as per different components of entrepreneurial behaviour

(N=120)

Component	Category	Range	Frequency	Percent
Innovativeness	Low	<17.24	8	06.67
	Medium	17.24-20.99	99	82.50
	High	>20.99	13	10.83
Achievement motivation	Low	<2.49	18	15.00
	Medium	2.49-4.03	98	81.67
	High	>4.03	4	03.33
Decision making ability	Poor	<8.58	17	14.17
	Moderate	8.58-11.37	88	73.33
	Good	>11.37	15	12.50
Risk Orientation	Low	<7.32	6	05.00
	Medium	7.32-10.66	107	89.17
	High	>10.66	7	05.83
Co-ordinating ability	Poor	<6.95	19	15.83
	Moderate	6.95-8.86	86	71.67
	Good	>8.86	15	12.50
Planning ability	Poor	<2.84	12	10.00
	Moderate	2.84-4.47	94	78.33
	Good	>4.47	14	11.67
Cosmopolitanness	Low	<8.59	19	15.83
	Medium	8.59-11.40	84	70.00
	High	>11.40	17	14.17
Self confidence	Low	<3.10	4	03.33
	Medium	3.10-5.01	68	56.67
	High	>5.01	48	40.00

TABLE 2: Distribution of respondents according to their entrepreneurial behaviour level

(n=120)			
Category	Range	Frequency	Percentage
Low	<61.96	16	13.33
Medium	61.96-70.13	87	72.50
High	>70.13	17	14.17

(2004) who reported that majority of dairy farmers had medium level of risk orientation.

Co-ordinating ability: Majority of the beneficiaries (71.67%) had moderate co-ordinating ability whereas 15.83 per cent and 12.50 per cent found in poor and good category of co-ordinating ability, respectively.

Planning ability: It could be seen from Table 1 that 78.33 per cent of beneficiaries had moderate planning ability whereas 10.00 per cent and 11.67 per cent beneficiaries belonged to poor and good category of planning ability, respectively.

Cosmopolitaness: Majority (70.00%) of beneficiaries had medium level of cosmopolitaness, followed by high (14.17%) and low (15.83%) level of cosmopolitaness.

Self confidence: It is quite clear from Table 1 that more than half (56.67%) of beneficiaries had medium self confidence, followed by low (3.33%) and high (40.00%) self-confidence. It meant that they were more confident about their abilities to improve their dairy enterprise. This confidence may be due their success in dairy enterprise with getting higher income.

Overall entrepreneurial behaviour of beneficiaries: The perusal of Table 2 indicates that 72.50 per cent of beneficiaries belonged to medium entrepreneurial behaviour level followed by low (13.33%) and high (14.17%) entrepreneurial behaviour level. Majority of beneficiaries belonged to medium level of entrepreneurial behaviour, this might be due to uniformity of beneficiaries with respect to financial condition, land holding, education level and economic motivation. The findings are in agreement with the findings of Suresh (2004) who stated that two third of milk producers

(66.67%) had medium entrepreneurial behaviour, whereas remaining milk producers had high (18.33%), followed by low (15.00%) entrepreneurial behaviour.

Entrepreneurial behaviour index of beneficiaries: An index is an observable phenomenon that is substituted for a less observable phenomenon. It is a number that is composite of two or more numbers. Here entrepreneurial behaviour index (EBI) is a number on the basis of which the respondents can be said to have more or less entrepreneurial attributes by virtue of which their chance of success in dairy entrepreneurship can be predicted. The entrepreneurial behaviour index was calculated for each of eight attributes and also for overall entrepreneurial behaviour. The results are presented in Table 3 and are described below.

The data presented in Table 3 revealed that the highest EBI (79.08) was found in co-ordinating ability attribute of entrepreneurial behaviour and was ranked first. The lowest EBI (62.34) was observed in case of decision making ability and was ranked last out of all eight attributes. However, 'entrepreneurial behaviour index' calculated for innovativeness, cosmopolitaness, risk orientation, planning ability, self confidence and achievement motivation were ranked II, III, IV, V, VI, VII, and VIII, respectively. The EBI for overall entrepreneurial behaviour was found 72.53. The highest index in case of co-ordinating ability may be due to interaction with extension personnel, officials of dairy cooperatives, and support agencies, etc. Other factors such as age, education and interest might have helped them to undertake the different dairy activities in time dimensions. However, the lowest EBI index in case of decision making ability might be due to their lower annual income, size of land holding and education level. Decision making ability is based on the foresight and confidence of an individual. The overall entrepreneurial behaviour index 72.53 can be termed as moderate.

Relationship between selected independent variables of beneficiaries and their entrepreneurial behaviour: A zero order correlation analysis was carried out to find out whether the selected characteristics had any association with entrepreneurial behaviour of beneficiaries. Correlation analysis provides information about the nature of relationship between independent variables and entrepreneurial behaviour. One variable may be associated with or may depend upon several other variables at the same time the level of entrepreneurial behaviour of beneficiaries was not solely influenced by any one of the variables taken in isolation, but all as a part of complex interacting system. The coefficients of correlation of each of the socio-personal and socio-economic variables with entrepreneurial behaviour of beneficiaries have been furnished in Table 4.

TABLE 3: Entrepreneurial behaviour index of respondents.

Sl.No.	Components	Mean Score	EBI	Rank
I	Innovativeness	19.11	76.47	II
II	Achievement Motivation	3.26	65.17	VII
III	Decision Making Ability	9.98	62.34	VIII
IV	Risk Orientation	8.99	74.93	IV
V	Co-ordinating ability	7.90	79.08	I
VI	Planning ability	3.66	73.17	V
VII	Cosmopolitaness	9.04	75.34	III
VIII	Self confidence	4.06	67.64	VI
	Entrepreneurial behaviour	66.00	72.53	

TABLE 4: Relationship between socio-personal and socio-economic characteristics of beneficiaries and their entrepreneurial behaviour

Characteristics	'r' value
Age	-0.1983*
Education	0.3147**
Family size	0.1265 ^{NS}
Occupation	0.0136
Experience in dairying	0.2189*
Training received	0.2754**
Land Holding	0.3157**
Herd size	0.2361*
Milk production	0.2635**
Total annual income (Rs.)	0.4829**
Social participation	0.1089 ^{NS}
Mass media exposure	0.2847**
Extension contact	0.3127**

** Significant at 0.01 level of probability

* Significant at 0.05 level of probability

NS- Non significant

The perusal of the data displayed in Table 4 clearly indicates that the selected characteristics of beneficiaries viz., education, training received, land holding, milk production, total annual income, mass media exposure and extension contact, found to have positive and significant relationship at 0.01 level of probability, whereas experience in dairying and herd size found to have positive and significant relationship at 0.05 level of probability but only age had negatively significant relationship at 0.01 level probability with their entrepreneurial behaviour. Thus, it can be concluded

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that these characteristics were correlated with entrepreneurial behaviour.

Further, remaining characteristics of beneficiaries such as family size, occupation and social participation did not establish any significant relationship with their entrepreneurial behaviour. Hence, it can be concluded that these characteristics were not correlated with entrepreneurial behaviour.

CONCLUSION

The study has clearly shown that majority of the respondents had a medium level of entrepreneurial behaviour. Most of the respondents had medium level of innovativeness, achievement motivation, decision making ability, cosmopolitanism, risk orientation and self confidence. Entrepreneurial behaviour was positively and significantly related with education, training received, land holding, milk production, total annual income, experience in dairying, herd size, mass media exposure and extension contact of the respondents whereas age of respondents was found to have negative and significant relationship with their entrepreneurial behaviour. Highest entrepreneurial behaviour index was found in co-ordinating ability attribute of entrepreneurial behaviour and lowest was observed in case of decision making ability. Therefore, efforts should be made to increase the level of entrepreneurial behaviour through intensive training programmes, group discussions, demonstrations, tours, field visits, awareness programme etc., for socio economic upliftment of the dairy farmers.