

## Entrepreneurial behaviour of cut flower producers

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### ABSTRACT

The study was conducted in Pune and Satara districts of Maharashtra with the objective to measure the entrepreneurial behaviour of cut flower producers. It was found that 48 per cent of the cut flower producers had high level of entrepreneurial behaviour and 44 per cent of the cut flower producers had exhibited medium level of entrepreneurial behaviour. The sub-components level of aspiration, decision making ability and locus of control had contributed highly to the entrepreneurial behaviour followed by achievement motivation, innovative proneness, risk taking ability and assistance of management services.

### INTRODUCTION

The entrepreneur is the central figure of economic activity and prime mover of development. Entrepreneurs constitute the generating force of economic development, since the level of development of entrepreneurship in the society reflects the development or underdevelopment of the economy and its different sectors like agriculture, trade or industry. An agricultural entrepreneur is one who operates on his best technique of production function to obtain the maximum possible output from his agri-enterprise, which is feasible with current technology and socio-economic and physical environment. It is only the innovative agri-entrepreneur who has the power to dream, to transform new situation into thoughts and to resolve them into action. Here, the new situations are more favorable for the producers of cut flowers under polyhouse conditions, where they can prove themselves as an entrepreneur by reaping opportunities of liberalization, globalization and flourishing prospects of the enterprise. Floriculture, till recently considered to be a simple garden activity to get flowers for religious offering and home decoration has emerged as an important agri-business enterprise. It has blossomed into a profitable agri-business, both for domestic and export market.

To make the agricultural sector multidimensionally developed, assessment of

potentials of human resource is inevitable. Entrepreneurship is one of these potentials, which can be harnessed by studying entrepreneurial behaviour of farmers and their profile characteristics. The volume of valuable data related to entrepreneurial behaviour and factors related to such behaviour is lacking, since only a few studies have been conducted in India on agricultural entrepreneurs. Data on the characteristics of the cut flower producers is also inadequate. The present study was therefore designed to fill up this lacuna in the field of entrepreneurial behaviour of farmers. The study was conducted with the following objectives: to study the characteristics of the cut flower producers and to determine the entrepreneurial behaviour of the cut flower producers as a whole and relative contribution of its subcomponents to the entrepreneurial behaviour.

### METHODOLOGY

The present investigation was carried out in Junnar, Maval and Khed taluks of Pune district and in Satara and Koregaon taluk of Satara district in Maharashtra. Cut flower producers, who produce the gerbera cut flower in polyhouse units under green house condition were selected at random by using simple random sampling at the rate of 60 producers in each district. In all, 120 farmers were selected for this study from the five taluks. The data were collected through a well-structured

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and pre-tested interview schedule. The collected data were analyzed by using cumulative frequency, percentage analysis, correlation, partial regression coefficient, multiple regression analysis and factor analysis. The scale developed by Raghavacharyulu (1983) to measure an entrepreneurial behaviour was adopted.

The scale was developed by using the method of equal-appearing intervals wherein components of the scale were selected and ranked by judges. Based on the method of equal appearing intervals, the scale values were developed using the formula –

$$S = L + 0.50 + (PB / PW) \times i$$

where,

S = the median or scale value of the component

L = lower limit of the interval in which the median falls

PB= the sum of the proportions below the interval in which the median falls

PW = the proportion within the interval in which the median falls

i = the width of the interval and is assumed to be equal to 1.0

For each component of the entrepreneurial behaviour, mean scores was calculated by the formula.

**EB mean score = (Score obtained for the component / Maximum score for the component) × scale value**

The mean of the seven entrepreneurial behaviour mean scores was taken as the total entrepreneurial behaviour mean score for a farmer. The entrepreneurial behaviour of cut flower producers was then classified as low, medium and high based on mean plus and minus standard deviation values. Partitioning of the multiple correlation coefficients was carried out to know the relative contribution of each of the seven sub-components of entrepreneurial behaviour.

## RESULTS AND DISCUSSION

The findings of the present study as well as relevant discussion have been presented under following heads:

### *Profile of the cut flower producers:*

The results revealed that more than 50 per cent of the cut flower producers were young aged, followed by middle aged (27 per cent) and old aged (20.00 per cent). It was observed that 59 per cent of the cut flower producers were educated upto collegiate level, followed by 27 per cent of the respondents possessing secondary

school level of education. Majority (70.00 per cent) of the cut flower producers had 'farming' as their sole occupation, were experienced in the cut flower production enterprise at medium level (70.00 per cent), were receiving medium level of income (84.00 per cent), did not attend any training on the cut flower enterprise (77.50 per cent) and had high level of credit orientation (67.00 per cent).

Majority (47.50 per cent) of the cut flower producers had cut flower production enterprise of medium size, followed by small (47.00 per cent) size of enterprise. The overall analysis indicated that about three-fourth (74.00 per cent) of the cut flower producers had medium level of information seeking behaviour and half (51.00 per cent) of the cut flower producers had medium level of self confidence. Majority (70.00 per cent) of the cut flower producers had medium level of overall marketing behaviour.

### *Entrepreneurial behaviour of cut flower producers:*

It was revealed from Table 1 that majority (47.50 per cent) of the cut flower producers had high level of entrepreneurial behaviour. Almost same percentage (44.17 per cent) of the cut flower producers had exhibited medium level of entrepreneurial behaviour. This finding is in conformity with the observations of Porchezian (1991), who revealed that majority (66 per cent) of the farmers had high level of entrepreneurial behaviour.

This might be due to the high level of educational status, credit orientation, perception towards post-harvest technologies etc., which could have resulted in high level of entrepreneurial behaviour and medium level of factors like experience in the enterprise, size of the enterprise, annual income from the enterprise, information seeking behaviour, self-confidence, market perception and overall marketing behaviour, etc. resulting in medium level of entrepreneurial behaviour of the cut flower producers.

The other reason enabling the cut flower producers to exhibit high entrepreneurial behaviour might be the opportunities like favourable market prices, easy availability of technical backup, institutional assistance and co-operative drives to promote and support entrepreneurial activities. These situations might have pulled their efforts to run cut flower production enterprise

**Table 1 : Distribution of the respondents according to their entrepreneurial behaviour**

Sr. No.	Category	Number	Per cent
1.	Low	10	8.33
2.	Medium	53	44.17
3.	High	57	47.50
	Total	120	100.00

more precisely and efficiently, which ultimately sharpened their performance, goals and visions. It might have made them to invest more, to be attentive and curious to innovate the ideas, to aspire for great achievements and to be more independent in decision making, which in turn have promoted their entrepreneurial behaviour.

**Relative contribution of different components of the entrepreneurial behaviour of cut flower producers:**

Partitioning of the multiple correlation coefficients was carried out by treating the total entrepreneurial behaviour mean score as the dependent variable and the seven components of the entrepreneurial behaviour scale as independent variables, to know the relative contribution of each of the seven sub-components of entrepreneurial behaviour. The results of the analysis have been summarized in the Table 2.

These sub-components were ranked based on the standardized partial coefficients as shown in the Table 3. It is evident that most important three components in the order of importance were i) level of aspiration ii) decision making ability and iii) locus of control. This was also observed by Ahmed and Kakoty (1993) and Sarmah and Singh (1994).

High capital investment in the relatively more remunerative enterprise is one of the indicators for the high level of aspiration. This was also observed in the cut flower producers, who had devoted themselves in the cut

flower enterprise. This high level of aspiration, making cut flower producers to behave like a true entrepreneur was observed as the most important contributor of the entrepreneurial behaviour.

Decision making ability of an entrepreneur denotes his propensity to adopt the appropriate business strategy among the alternative strategies, so that he can get more returns for his produce with greater comparative advantage. It is nothing but the key process of entrepreneurial value, which naturally shows high entrepreneurial behaviour. This was also observed in the study.

Locus of control, which was observed as third important contributor to the entrepreneurial behaviour of the cut flower producer is also the reflection of the quality of self confidence. Both indicates the beliefs that one holds about what factors are dominant in controlling important outcomes in life. Quality of decision making gets strengthened as internal locus of control and in turn self confidence increases. It helps the entrepreneur to perform a job effectively. It also motivates the entrepreneur to invest in risky but profitable activity. Medium to high self confidence observed among the cut flower producers might be the reason behind the locus of control being third most important contributor of the entrepreneurial behaviour

Table 3 also indicates the other major contributors to the entrepreneurial behaviour of the cut flower namely, achievement motivation, innovative proneness, risk taking

**Table 2 : Partitioning of multiple correlation coefficient of the entrepreneurial behaviour**

Sr. No.	Sub-components	Correlation Coefficient r	Standard partial regression b'	$\frac{b' \times r \times 100}{R^2}$
1.	Innovative proneness	0.879	0.142	12.814
2.	Decision making ability	0.911	0.239	22.354
3.	Achievement motivation	0.896	0.150	13.789
4.	Risk taking ability	0.850	0.102	8.901
5.	Level of aspiration	0.886	0.286	26.016
6.	Locus of control	0.812	0.180	15.006
7.	Assistance of management services	0.733	0.062	4.664

$R^2 = 0.974$

$F = 597.942$

**Table 3 : Relative importance of the sub-components and their ranks**

Sr. No.	Sub-components	Rank
1.	Innovative proneness	V
2.	Decision making ability	II
3.	Achievement motivation	IV
4.	Risk taking ability	VI
5.	Level of aspiration	I
6.	Locus of control	III
7.	Assistance of management services	VII

ability and assistance of management services.

**Conclusion:**

In the light of the above findings, an integrated picture of profile characteristics of the cut flower producers, their entrepreneurial behaviour and contribution of its different components calls for the prime consideration of qualities of entrepreneurs to be developed, while infusing the entrepreneurship among the farming community. The

subcomponents level of aspiration, decision making ability and locus of control were the most important contributors to the entrepreneurial behaviour of the cut flower producers, followed by achievement motivation, innovative proneness and risk taking ability. Development of Entrepreneurship Development Programmes (EDPs) for the cut flower producers should have more emphasis on the enhancement of their aspiration, skill of decision making, internal locus of control, achievement motivation and innovativeness.

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