



Entrepreneurial Behaviour of Dairy Farmers

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ABSTRACT

The present study was conducted in Jammu district of Jammu and Kashmir state during 2014-15 to know socio-economic and psychological characteristics of the dairy farmers and their relationship with entrepreneurial behaviour. The present investigation included 120 beneficiaries from Bishnah, R.S. Pura, Arnia and Suchetgarh blocks of Jammu district. Results revealed that majority (68.40%) of dairy farmers had medium level entrepreneurial behaviour followed by 18.30 per cent having high level of entrepreneurial behaviour. Out of twelve, eight variables namely viz., education, land holding, innovativeness extension contact, annual income, experience of dairying, economic motivation and information seeking had positive and significant relationship but only age was negatively significant correlated with their entrepreneurial behaviour.

Keywords: Entrepreneurial behaviour, livestock production, dairy farmers

Entrepreneurship has been accepted globally as affective tool for widening the entrepreneurial base for those who have poor financial resources or managerial background. In the present era, it is considered as a person who initiates, organizes the activities, manages and controls the affairs of business unit combining the factors of production to supply goods and services. Farmers deciding to take particular crop or use scientific methods to grow crops also exhibit entrepreneurial behaviour (Rao and De, 2009). The emergence of entrepreneurs in communities depends upon closely interlinked social, religious, cultural, psychological and economic factors (Amarnath and Samvel, 2008). Dairy farming is a crucial component of rural economy that has the highest potential of generating income and employment through augmenting productivity of milch animals. It is one of the promising sectors for entrepreneurship development in India (Lazar, 2014). India ranks first in milk production, accounting for 18.5% of world production, achieving an annual output of 146.3 million tones during 2015-16 as compared to 137.69

million tonnes during 2013-14 recording a growth of 6.26%. Whereas, the Food and Agriculture Organization (FAO) has reported a 3.1% increase in world milk production from 765 million tones in 2013 to 789 million tones in 2014 (Economic Survey, 2015).

Consequently, per capita per day availability of milk in India has increased from 120 grams (g) in 1960 to 307 g in 2013-14, meeting the minimum nutritional requirement of 250 g as recommended by the Indian Council of Medical Research. At present India contributes 18.5 per cent of the total global milk production. Out of this, 55 per cent is contributed by buffalo milk (Economic survey, 2015). As per the estimates of Integrated Sample Survey (ISS) of major livestock products, the production of milk in Jammu and Kashmir state for the year 2012 was estimated at 16114.57 thousand metric tonnes. Presently the per capita availability of milk is about 302 grams per day (Anonymous, 2013-14). For raising the living standard of the vast majority of the backward regions, planning



and implementation of entrepreneurial programmes are essential because of their over dependence of on agriculture for employment. Thus, entrepreneurship development in rural industries appears to be best possible alternatives to find employment avenues for the rural population. Dairy farming in J&K is practice with one or two indigenous buffaloes or cow milk has now emerged as the second largest agricultural commodity and that is why dairy as a business is becoming more and more popular among entrepreneurs and also among the educated unemployment people. The behaviour of individual as entrepreneur can be highlighted as a major contributing factor for entrepreneurship development.

MATERIALS AND METHODS

Jammu district of Jammu and Kashmir was purposively selected for the present study as it had maximum milch bovine population. Four blocks of Jammu district namely Bishnah, R.S. Pura, Arnia and Suchetgarh were selected purposively and from each block five villages were also selected randomly. From each village six dairy farmers were selected randomly to constitute a total sample size of 120 farmers. The study took into account twelve socio-economic and psychological variables *viz.*, age, education, family size, occupation, land holding, extension contact, annual income, innovativeness, livestock possession, experience of dairying, economic motivation, information seeking as well as entrepreneurial behaviour of dairy farmers were selected after consulting the post studies, and available literature. The data were collected through

personally interviewing the respondents with the help of a pre-tested structured interview schedule with respect of the objectives of the study. The collected data were scored, tabulated and analyzed by using frequency, percentage, mean, standard deviation and correlation.

RESULTS AND DISCUSSION

The findings regarding socio-economic variables revealed that more than half of respondents belonged to middle age group (55.00%) followed by young age group (35.00%), while 10.00 per cent were of old age. This may be due to the fact that livestock management needs extensive and routine management like care of livestock, collection of fodder etc, which requires young and energetic age group of dairy farmers. It was also revealed that majority of respondents (64.00%) were educated middle to higher secondary school (54.10%), having medium family size (63.30%), belonged to agriculture + dairy as their main occupation (71.60%), and 60.90 per cent of respondents belonged semi medium to medium category of land holding, 53.40 percent of respondents belonged to high extension contact, 35.00 percent of respondents belonged to medium level of annual income, 62.00 per cent of respondents belonged to medium innovativeness, 70.00 per cent of respondents belonged to medium livestock possession, 68.40 per cent of respondents belonged to medium experience of dairying, 73.30 percent of respondents belongs to medium economic motivation and 65.80 percent of respondents belonged to medium information seeking (Table 1).

Table 1: Socio-economic and psychological variables of dairy farmers n=120

S. No.	Variable	Category	Frequency	Percentage
1	Age	Young (35 years and below)	42	35.00
		Adult (36 –50 years)	66	55.00
		Old (51 years and above)	12	10.00
2	Education	Illiterate (No schooling)	8	06.70
		Primary school (Up to 4 th std.)	14	11.70
		Middle school (5 th to 7 th std)	31	25.80
		Higher secondary (8 th to 10 th std.)	34	28.30
		Intermediate (11 th to 12 th std.)	27	22.50
		Graduate and above	06	05.00

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3	Family size	Small (Up to 4 members)	34	28.30
		Medium (5 to 8 members)	76	63.30
		High (Above 9 members)	10	08.40
4	Occupation	Dairy	06	05.00
		Agriculture + dairy	86	71.60
		Agriculture + dairy+ labour	14	11.70
		Agriculture+ dairy+ service	0	05.00
			6	
	Agriculture+ dairy+ other business	08	06.70	
5	Land holding	Marginal (Up to 1.00 ha)	16	13.30
		Small (1.01 to 2.00 ha)	24	20.00
		Semi-medium (2.01 to 4.00)	58	48.40
		Medium (4.01 to 10.00 ha)	15	12.50
		Large (Above 10.00 ha)	07	05.80
6	Extension contact	Low (up to 6)	16	13.30
		Medium (7 to 14)	40	33.30
		High (15 and above)	64	53.40
7	Annual income	BPL (up to 25,000/-)	00	00.00
		Low (up to 50,000/-)	12	10.00
		Low medium (₹ 50,001 to 1,00,000/-)	34	28.30
		Medium (₹ 1,00,001 to 1,50,000 /-)	42	35.00
		Medium high (₹ 1,50,001 to 2,00,000/-)	22	18.40
		High (Above ₹ ,00,001)	10	08.30
8	Innovativeness	Low (up to 10)	22	18.40
		Medium (11 to 19)	75	62.50
		High (20 and above)	23	19.20
9	Livestock possession	Small (up to 6)	14	11.70
		Medium (7 to 11)	84	70.00
		High (12 and above)	22	18.40
10	Experience in dairying	Low (Experience up to 6 year)	18	15.00
		Medium (7 to 14 year)	82	68.40
		High (15 year and above)	20	16.60
11	Economic motivation	Low (up to 19)	16	13.40
		Medium (20 to 26)	88	73.30
		High (27 and above)	16	13.30
12	Information seeking	Low (up to 7)	13	10.80
		Medium (8 to 15)	79	65.80
		High (16 and above)	28	23.40



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The data in table 2 depicted the entrepreneurial behaviour of dairy farmers comprised nine components, such as achievement motivation, risk orientation, planning ability, decision-making ability, communication skills, self confidence, adoption prosperity, profit orientation, coordinating ability, cosmopolitaness and Locus of control.

Achievement motivation

Achievement motivations are direct predictors of achievement-relevant circumstances. The findings revealed that nearly half (45.80%) of the dairy farmers were having medium level of achievement motivation followed by respondents in the high category (33.40%) and low category (20.80%). The probable reason for this trend might be eagerness and fanaticism to become cost-effectively sound. The higher annual income might have encouraged them to set the higher aspiration. Similar results have been reported by Suresh (2004).

Risk orientation

The data in Table 2 indicated that maximum number (50.00%) of dairy farmers had medium level followed by 35.00 percent of them had high category of risk orientation. Only 15.00 percent possessed low category of risk orientation. The probable reason about the high level of risk taking capacity in case of dairy owners may be due to the fact that there is a lot of demand for the milk as this is consumed by every household and fetches a good profit by way of producing by products like cheese, curd and butter. These findings are accordance with the findings of Bhosale *et al.* (2014).

Planning ability

Planning ability can solve or prevent almost any common problem in the earliest courses of entrepreneurship development. Table 2 revealed that majority (60.00%) of dairy farmers had medium level of planning ability; whereas 31.60 percent of them had high and 8.40 per cent had low level of planning ability. The possible reason might be due to the fact that the dairy grower had given the importance to the activities, which would provide regular income in future. These results are in accordance with the findings of Lawrence *et al.* (2012).

Table 2: Entrepreneurial behaviour of dairy farmers n=120

S. No.	Variable	Category	Frequency	Percentage
1	Achievement motivation	Low	25	20.80
		Medium	55	45.80
		High	40	33.40
2	Risk orientation	Low	18	15.00
		Medium	60	50.00
		High	42	35.00
3	Planning ability	Poor	10	08.40
		Moderate	72	60.00
		Good	38	31.60
4	Decision-making ability	Low	16	13.40
		Medium	66	55.00
		High	38	31.60
5	Communication skills	Low	36	30.00
		Medium	56	46.60
		High	28	23.40
6	Self confidence	Low	16	13.40
		Medium	64	53.30
		High	40	33.30
7	Adoption prosperity	Low	26	21.60
		Medium	62	51.70
		High	32	26.70
8	Profit orientation	Low	33	27.50
		Medium	65	54.20
		High	22	18.40
9	Coordinating ability	Low	12	10.00
		Medium	38	31.70
		High	70	58.30
10	Cosmopolitaness	Low	27	22.50
		Medium	64	53.40
		High	29	24.10
11	Locus of control	Internal	68	56.70
		External	52	43.30

Decision-making ability

Decision-making is the process of identifying and choosing alternatives based on the values and preferences of the decision-maker (entrepreneur). Table 2 indicated that maximum number (55.00%) of dairy farmers had medium level of decision making ability whereas 31.60 percent of them had high and 13.40 percent had

low level of this trait. The increased response in high category of decision making may be due to the fact that majority of farmers were having individual ownership status and were of the view that it was their self decision to start the enterprise. These results are in accordance with the findings of Subrahmanyeswari *et al.* (2007) and Jha (2008).

Communication skills

Communication is a foundational skill that applies to every area of entrepreneurship. The data on this parameter indicates that near about half (46.60%) of the dairy farmers had medium level of communication skills, whereas more than one fourth (30.00%) the dairy farmers had low level of communication skills. Only 23.40 per cent had high communication skills. The probable reason of medium level of communication skills might be that majority of the entrepreneurs had leading to moderate participation in various social and extension activities. Similar results have been reported by of Manivannanan (2007) and Lawrence *et al.* (2012).

Self-confidence

Self-confidence means an individual conveys confidence in his own capability to complete a task or meet a challenge. In the present study, majority (53.30%) of dairy farmers had medium level of self confidence whereas one third of dairy farmers had high (33.30%) and 13.40 percent have low level of self-confidence. The probable reason for high level of self confidence might be due to medium level of achievement motivation, decision making ability and adoption propensity. Since dairy farmers had greater risk taking capacity. The findings are in conformity with empirical evidence reported by Subrahmanyeswari *et al.* (2007) and Jha (2008).

Adoption prosperity

The data on this parameter depicted in Table 2 revealed that more than half (51.70%) of the dairy farmers were found to have medium level of adoption prosperity, followed by low (26.70%) and high level (21.60%). The probable reason for higher adoption propensity may be due to the fact that they were more literate having high risk taking capacity. Similar trend have been reported by Lawrence (2012) and Jha (2008).

Profit orientation

Profit orientation directs the entrepreneur towards making profit out of the enterprise. In case of profit orientation, it was observed in the study that more than half of the (54.20%) of dairy farmers had medium level of profit orientation followed by low (27.50%) profit orientation. Thus, it may be concluded that the respondents have medium level of profit orientation because the dairy farmers are not exploiting full potential of dairy as an enterprise. These results are in accordance with the findings of Manivannanan (2007) and Bhosale *et al.* (2014).

Coordinating ability

The coordinating ability and positive relationships is crucial to the success of the entrepreneur's business venture. The results in the Table 2 depicts that more than half (58.30%) of the dairy farmers had high level of coordinating ability, whereas more than one fourth of (31.70%) the dairy farmers had low level of coordinating ability. Only 10.00 per cent had high coordinating ability. It could be inferred from Table 2 that such coordinating ability pattern may be due to good social participation and better education. These results are in accordance with the findings of Jha (2008) and Porchezhiyan *et al.* (2016).

Cosmopoliteness

Medium level of cosmopoliteness was possessed by 53.40 per cent of dairy farmers. While 24.10 percent of them possessed high and 22.50 per cent possessed high level of cosmopoliteness. The cosmopoliteness distribution in the study might be due to moderate economic conditions, leading to moderate participation in various social and extension activities. These results are in accordance with the findings of Porchezhiyan *et al.* (2016).

Locus of control

Locus of control has a central place as far as the entrepreneurial traits are concerned as it reveals the inner urge of an entrepreneur. Table 2 indicated that maximum numbers (56.70%) of dairy farmers were having the external locus of control whereas 43.30% of them had internal locus of control. The probable reason might be that dairy farmers in every respect of entrepreneurial traits showed a positive sign for developing the dairy enterprise as successful role models for other famers. These findings



are accordance with the findings of Gupta *et al.* (2013).

The results in the Table 3 depicts that near about three fourth of dairy farmers (68.40%) belongs to medium level entrepreneurial behaviour, followed by 18.30 per cent having high level of entrepreneurial behaviour, Whereas, 13.30 per cent of dairy farmer belonged to low entrepreneurial behaviour.

Table 3: Distribution of dairy farmers according to their entrepreneur behavior (n=120)

S. No.	Categories	No. of respondents	Percentage
1	Low (Up to 35)	16	13.30
2	Medium (36 to 60)	82	68.40
3	High (61 and Above)	22	18.30
		120	100

The logical reasons of medium followed by, high entrepreneurial behaviour might be due to their sound financial condition, higher land holding, higher education level and higher scientific orientation. However, all the major eleven components of entrepreneurial behaviour of dairy farmers together reflect their medium entrepreneurial behaviour. The findings of present study are in agreement with the findings of Tekale *et al.* (2013).

Table 4: Relationship between characteristics of dairy farmers with their entrepreneurial behavior (n=120)

S. No.	Variables	Correlation co-efficient 'r' Value
1	Age	-0.2143 *
2	Education	0.4537*
3	Family size	0.0367 NS
4	Occupation	0.0472 NS
5	Extension contact	0.4768**
6	Land holding	0.3837*
7	Annual income	0.3562**
8	Innovativeness	0.5328*
9	Livestock possession	0.02631NS
10	Experience in dairying	0.6805**
11	Economic motivation	0.2691**
12	Information seeking	0.4327**

* and ** indicate significance of values at P=0.05 and 0.01, respectively; NS= Non-significant

Relationship between characteristics of dairy farmers with their entrepreneurial behaviour

Out of twelve, eight variables of dairy farmers, namely *viz.*, education, land holding, innovativeness have positive and significant relationship at 0.05 per cent level of significance, whereas extension contact, annual income, experience of dairying and economic motivation and information seeking had positive relationship at 0.01 per cent level of significance but only age was negatively significant correlated at 0.01 percent level of significance with their entrepreneurial behaviour. Further, remaining characteristics such as family size, occupation and livestock possession did not exhibit any significant relationship with their entrepreneurial behaviour.

The age of dairy farmers was found to have negative and significant relationship with their entrepreneurial behaviour which determined the sincerity, prosperity and impetuosity to stay the course for categorical performance in any enterprise. The old age dairy farmers were generally emotionless, and felt contended in existing conditions. On the contrary, younger farmers were more enterprising, vigorous penny-pinching predetermined and created for perfection in entity. This might be the reason for negative correlation between age of dairy farmers and their entrepreneurial behaviour.

Moreover, the education of dairy farmers was positive and significant relationship with their entrepreneurial behaviour. With regard to occupation, family size, occupation and livestock possession did not show any significant relationship with their entrepreneurial behaviour. A large majority of dairy farmers were engaged in agriculture along with dairying which showed less variation in their occupation as the reason for non-significant relationship. Land holding and annual income of dairy farmers had positive and significant relationship with their entrepreneurial behaviour. The possible reason for present finding might be that respondents with larger holdings would have more opportunities and potentialities to try and adopt various scientific modifications. As a result, it is quite possible that farmers with larger land holding showed dedicated interest to know about new practices and be more receptive to such ideas, thus leading to improved learning of recognition, economic motivation, achievement motivation, and information seeking, which orderly emulate on their entrepreneurs, had positive

and significant relationship with their entrepreneurial behaviour. Considering dairying is highly remunerative enterprise, entrepreneurs certain up gradation of economic motivation and they compete firm to execute endeavor likewise intend gravy escalation.

Experiences in dairying have a positive effect on entrepreneurial behaviour, as they provide the basis for an enterprise dynamic capability, the ability to learn and adapt to changing circumstances. A positive significant relationship was found between information seeking of dairy farmers and their entrepreneurial behaviour. The logical reasons might be that dairy farmers with information seeking behaviour could be more interested to the latest innovation and employ it in their dairy enterprises. These findings are in accordance with the observations of Porchezhiyan *et al.* (2016).

CONCLUSION

The study revealed that, majority (68.40%) of dairy farmers had medium level entrepreneurial behaviour which is an apparent indication of the permissiveness of dairy growers. Efforts for increased awareness and knowledge in dairy production techniques through various innovative extension methods exclusively designed for the target group is urgently needed. This will help them to acquire day to day technical developments and the impact of adoption of those scientific practices on their dairy business and livelihood. Out of twelve, eight variables namely viz., education, land holding, innovativeness extension contact, annual income, experience of dairying, economic motivation and information seeking had positive and significant relationship but only age was negatively significant correlated with their entrepreneurial behaviour. Therefore, the socio-economic and psychological variables significantly influence the entrepreneurial behaviour of dairy farmers due to better education, land holding, occupation, annual income, experience in dairying, innovativeness, extension contact, economic motivation and information seeking of dairy farmers.

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