

## Traits of the Cut Flower Producers on Entrepreneurial Behaviour

M.V. JADHAV AND A. PALANISWAMY

*Dept. of Agril. Extn. and Rural Sociology, Tamil Nadu Agrl. University, Coimbatore-641 003.*

**Abstract:** The study was carried out in Pune and Satara districts of Maharashtra to find out the socio-personal traits that have a bearing on the entrepreneurial behaviour of the cut flower producers. The respondents, numbering 120, were cut flower producers who were specially growing Gerbera under polyhouse condition. Correlation analysis indicated characteristics like educational status, experience in enterprise, annual income from enterprise, training undergone, credit orientation, information seeking behaviour, self confidence, perception towards post-harvest technologies, market perception and marketing behaviour had positive and significant relationship with the entrepreneurial behaviour.

*Key words : Entrepreneurial behaviour, Correlates, Factors underlying*

### Introduction

Development of the economy of any nation depends primarily on the important role played by the entrepreneurs. They are persons, who initiate, organize, manage and control the affairs of the enterprise that combine the factors of production to supply goods and services in any sector. Effective role of entrepreneurship portrayed in the process of industrialization in the developed countries has made the developing countries like India to view this as an effective instrument to combat their infinite problems. Realizing this, India too have made plans to develop entrepreneurship to promote national production, balanced regional development, dispersal of economic power and provide better employment opportunities especially in agriculture sector. Efforts are made to infuse the immense entrepreneurship into members of the farming community so that they become more productive and more innovative. Research on entrepreneurship and entrepreneurial behaviour among the farming community is also being promoted.

Maharashtra is a major producer of floriculture products with about 12,000 hectares of area under various flowers. It ranks 5 in area of flower cultivation. Protected floriculture

under greenhouse condition was started in 1991 in Maharashtra. Today about 1,200 farmers have their greenhouse units producing cut flowers (Nafade, 2004). Production of standard cut flowers involves high technology combined with high cost. It is an intensive type of agriculture and the income per acre is much higher than any other agricultural product and all interested farmers in Maharashtra adopted this technology with great success. A question naturally arises as to what determines the entrepreneurial behaviour of the cut flower producers of Maharashtra, who invested in the highly intensive and risky enterprise. This study was therefore taken up to find out the traits that influence the entrepreneurial behaviour of the cut flower producers.

### Research Methodology

The present investigation was carried out in Junnar, Maval and Khed taluks of Pune district and in Satara and Koregaon taluks 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

**Table 1.** Correlation co-efficient and multiple regression of the characteristics with entrepreneurial behaviour

S.No.	Name of the variables	Correlation co-efficient 'r' value	Regression co-efficient 'b' value	Standard error of 'b'	't' value
1	Age	-0.800**	-0.006	0.002	-3.274*
2	Educational status	0.824**	0.016	0.013	1.231 <sup>NS</sup>
3	Occupational status	0.024 NS	0.019	0.009	2.075**
4	Experience in enterprise	0.284**	0.002	0.001	3.168*
5	Size of enterprise	0.140NS	0.023	0.011	2.155**
6	Annual income from enterprise	0.247**	0.026	0.018	1.417 <sup>NS</sup>
7	Training undergone	0.307**	0.044	0.019	2.284**
8	Credit orientation	0.706**	0.052	0.013	4.058*
9	Information seeking behaviour	0.807**	0.005	0.001	5.514*
10	Self confidence	0.739**	0.043	0.003	1.246 <sup>NS</sup>
11	Perception towards post-harvest technologies	0.830**	0.018	0.007	2.498**
12	Market perception	0.610**	0.005	0.022	0.23 1 <sup>NS</sup>
13	Marketing behaviour	0.227*	0.026	0.009	2.736*

\*\* - Significant at 0.01 level

\* - Significant at 0.05 level

NS - Not Significant

R Square = 0.902

F = 74.842\*

collected through a well-structured 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.

**Result and Discussion**

*Relationship and Contribution of Characteristics of the Cut flower Producers towards their Entrepreneurial Behaviour*

Only those variables, which showed relation as well as contribution, are discussed in details. For those variables that exhibited either one of them are grouped and a common explanation is given. As per the Table 1, age was found to be negatively and significantly related with and contributed to the entrepreneurial behaviour of the cut flower producers. Largely at young

age, one must have the propensity to detect and evaluate the new situations in the environment. Also, to plan, organize and operate the new enterprise, he has to bear risk and take responsibility. It ultimately tends to innovate and adopt the new activities of economic importance, which inturn shows too high level of entrepreneurial behaviour. This might be the reason for high entrepreneurial behaviour at low age with negative and significant relationship between them. This finding is in line with the finding of Porchezian (1991)

A positive and significant relationship was observed between the experience in the enterprise and the entrepreneurial behaviour of the cut flower producers. This result was also observed by Raghavacharyulu (1983). Experience in the enterprise brings perfection in performing the entrepreneurial activities. It

**Table 2** Characteristics with factor loadings under different factors related to entrepreneurial behaviour of cut flower producers

Factors- Independent variables	Factor loadings
<b>Factor 1: Personality factor</b>	
Perception towards post-harvest technologie	0.892
Educational status	0.881
Age	-0.841
Self confidence	0.833
Information seeking behaviour	0.800
Credit orientation	0.719
Market perception	0.712
<b>Factor 2: Economic factor</b>	
Size of enterprise	0.950
Annual income from enterprise	0.907
<b>Factor 3: Status factor</b>	
Experience in enterprise	-0.740
Training undergone	0.668
Occupational status	0.645
<b>Factor 4: Market factor</b>	
Marketing behaviour	0.877

exposes the entrepreneur to the pros and cons of the procedures, technologies and recent happenings in the industry to which the enterprise belongs. This inturn collectively promotes the entrepreneurial behaviour. Hence, it was observed that increase in the experience of cut flower producers had increased their entrepreneurial behaviour.

Training undergone was positively and significantly related with the entrepreneurial behaviour of the cut flower producers. It is obvious that training provides proper understanding of different components and activities of enterprise. It improves the skills and competencies of an individual to be an efficient entrepreneur.

Such promotional trainings drive the entrepreneur to play actively in the field of enterprise with more confidence, which in turn increase the entrepreneurial behaviour. Rao and De (2001) found the same results.

A positive and significant relationship and contribution was observed between credit orientation and entrepreneurial behaviour of the cut flower producers. Borrowing credit to invest in the capital intensive agricultural enterprise like cut flower production is risky enough, but it is a profitable one, if enterprise is carried out well. It is also essential to borrow the credit for such enterprises, which are susceptible to the eventualities of market fluctuation and product perishability. Hence, as and when credit

is borrowed, the risks also increase. Hence, respondents with high degree of credit orientation for initial investment with high risk bearing naturally have higher entrepreneurial behaviour. So the result was justified.

A positive and significant relationship was observed between perception towards post-harvest technologies and entrepreneurial behaviour of the cut flower producers. High perception towards post harvest technology of an entrepreneur denotes his propensity to adopt the marketing strategy, so that he can get more market price for his produce and have more comparative advantage. This is nothing but the marketing activity of entrepreneurial value. This naturally, shows high entrepreneurial behaviour.

Marketing behaviour had positive and significant relationship with the entrepreneurial behaviour of the cut flower producers. Marketing behaviour represents making decision relating to the selection and adoption of the appropriate marketing activities and strategies among many of them existing in different marketing situations. These appropriate strategies generate maximum returns out of the cut flowers sold in the present market conditions. Higher the marketing behaviour, better the decision, selection and adaptation of these options. This result was supported by the finding of Rao and De (2001).

Characteristics of the cut flower producers like educational status, annual income from their enterprise, information seeking behaviour, self confidence, market perception and size of the enterprise were also found to be positively and significantly related with their entrepreneurial behaviour. It is understandable that high education always tends to rational thinking and promotes logical reasoning, which is of crucial importance while running the enterprise. As education increases the visualization and realization of opportunities get enhanced, which in turn enhances the self confidence. It is responsible for high innovativeness

and propensity to get exposed to the new ideas and concepts, ultimately improving the information seeking behaviour. All these collectively make to increase the entrepreneurial behaviour. Higher the market perception, better will be the marketing related decisions. This ultimately represents the entrepreneurial capability.

#### *Factors Underlying the Entrepreneurial Behaviour of the Cut flower Producers among the Characteristics Studied*

Thirteen variables hypothesized as correlates of entrepreneurial behaviour, when subjected to factor analysis, they were grouped under four factors, viz. personality factor, economic factor, status factor and market factor. The depiction of four factors and their factor loadings is presented in Table 2. Factors were named after the dominant characteristics of the significant loadings in the aligned factors. These factors accounted for 75.09 per cent of the total variance.

The personality factor showed the highest contribution towards the entrepreneurial behaviour followed by economic factor, status factor and market factor. All of the characteristics exhibited in the personality factor give the overall information about the entrepreneur. They represented the personality oriented characteristics of the entrepreneur. These characteristics like perception towards post-harvest technology representing the strategic orientation, educational status representing the knowledge level, self confidence representing the effectiveness of the job performance, information seeking behaviour denoting the innovativeness, credit orientation representing the risk taking ability and market perception representing market related decision making ability of the entrepreneur are the basic cognitive investments from the entrepreneur's side. Due to their unequivocal necessity to decide adopting, running and maintaining the enterprises to make profit out of it, it always contributes highest to the entrepreneurial behaviour.

As denoted in the Table 2, economic factor was formed with the characteristics like, size of the enterprise and annual income from the enterprise. Size of enterprise depicts the volume of the entrepreneurial activities, which is nothing but the economical status of enterprise. Annual income from enterprise portrays performance of an enterprise in economic terms. Both were related to economy of enterprise, which is another factor to responsible to decide to undertake the enterprise.

### Conclusion

The findings indicated that characteristics of the cut flower producers viz. educational status, experience in enterprise, annual income from enterprise, training undergone, credit orientation, information seeking behaviour, self confidence, perception towards post-harvest technologies, market perception and marketing behaviour had positive and significant relationship with their entrepreneurial behaviour. These characteristics therefore can be of crucial importance while developing any Entrepreneurial Development Programme (EDP), wherein progress of these characteristics can be aimed.

The personality factor consisting of traits like perception towards post-harvest technologies, educational status, age, self confidence, information seeking behaviour, credit orientation and market perception, which had showed highest contribution towards entrepreneurial behaviour were the determinants of the successful entrepreneurship among the cut flower producers of the Maharashtra.

### References

- Nafade, A.S. (2004). Vyawasayceek Pushpa Utpadan. Maharashtra Sahakari Mudranalaya, Pune, pp:1-3.
- Porchezian, M.R. (1991). An Analysis of Entrepreneurial Behaviour of Farmers. M.Sc (Ag.) Thesis, TNAU, Coimbatore.
- Raghavacharyulu, V. (1983). A Study on the Entrepreneurial Behaviour of Small Farmers. M.Sc. (Ag.) Thesis, TNAU, Coimbatore.
- Rao, M.S. and De, D. (2001). Effects of Predictor Variables on Entrepreneurial Behaviour of Vegetable Growers. *Journal of Research, ANGRAU*, 29: pp.78-81.

(Received : November 2003; Revised : Feb. 2005)