

Entrepreneurial Behaviour of Rural Farm Women in Tea Growing Locations in Sri Lanka and India

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ABSTRACT

Success of any business/enterprise depends on the entrepreneurial behaviour of a person and the same is true for agriculture that is one of the main sources of livelihood in the rural sector. In this context, the present investigation was undertaken in tea growing locations of Kangra (India) and Nuwara Eliya district (Sri Lanka) to compare the entrepreneurial behaviour of rural women farmers. Primary data were gathered through survey method and secondary information was collected from various published/unpublished sources. Tabular and regression techniques were employed to analyse the data. The results showed that among the components of entrepreneurial behaviour, achievement motivation, management orientation and risk taking ability in order of ranking were the important pointers for the women in Kangra. Whereas, achievement motivation, management orientation and ability to co-ordinate the farm activities were found to be the important components of entrepreneurial behaviour for women in Nuwara Eliya. Education, farm income, economic motivation and accessibility to market were identified as the key determinants of entrepreneurial behaviour of women in Kangra district. Whereas, age, farm income and information sources were the important determinants of entrepreneurial behaviour of women in Nuwara Eliya. Being an entrepreneur, the most important problems of women were high cost of raw materials and lack of knowledge about financial institutions, and training institutions in both the study areas. To sum up, the women need to be made more aware about technological developments, scientific practices and women literacy to improve upon their entrepreneurial behaviour.

Key words: Achievement motivation, entrepreneurial behaviour, key determinants, management orientation, technological developments

INTRODUCTION

Rural women, who constitute about 50 per cent of total rural population, play an active role in all spheres of economic life and contribute richly towards the national income. Of the major rural enterprises, farming has been regarded as an important instrument of economic and social change to supplement the income and employment to the rural sector

in general and rural women in particular. Unemployment still continues to be the most baffling problem in India and Sri Lanka, despite its rapid social and technological progress and increase in the level of literacy where question of women entrepreneurship assuming its significance. The literacy rate for male is 92 per cent and it is 89 for female in Sri Lanka (Annon, 2009 a). As per 2001 Census, the male literacy rate is 75.96% and female literacy rate is 54.28% (Annon, 2001). In Sri Lanka male and female labour force participation rate is 67.9 and 34.3 percent, respectively (Department of Census of Statistics, 2009). About 56 per cent of rural males and 31 per cent of rural females in India belonged to the labour force. The corresponding proportions in the urban areas were 57 per cent and 15 per cent respectively. The percentage of regular wage/salaried employees was relatively lower among females as compared to males in both rural and urban India (figures being 10 for male and 4 for female in the rural areas, and 42 for male and 40 for female in the urban areas) (Annon, 2009 b).

The entrepreneur is the person who strives to maximize his/her profits by innovations. However, the entrepreneurs are not simply innovators, they are persons with a will to act, to assume risk and to bring about a change through organization of human efforts. Woman entrepreneur is one who wants to set up a commercial venture on her own with determination, zeal enthusiasm, and basic knowledge of business. The basic concept underlying the definition of entrepreneurship is that it connotes innovativeness, an urge to take risks in the face of uncertainties and an intuition i.e. capacity of seeing things in a way which afterwards proved to be true (Vinze, 1987). By a simple definition doing new things or doing things that are already being done in a new way is a part of entrepreneurial behaviour. Emergence of entrepreneurship depends on certain personality traits like perception of market factors, independence, ability to influence others, decision making, access to and control over resources, risk taking ability and innovativeness (Kilby, 1971; Nandi, 1973; Vinze, 1987), social, economic and psychological attributes (Deepti and Hema, 1998). An overview of the studies indicated there are eleven dimensions of entrepreneurial behaviour such as innovativeness, decision making, achievement motivation, knowledge, information seeking, risk taking ability, ability to coordinate activities related to enterprise, assistance of management of services, leadership ability and cosmopolitaness. However, the success of farming depends on the entrepreneurial behaviour of farm women. Keeping this in view, the present investigation was undertaken with specific objectives to study the entrepreneurial behaviour of rural women farmers, factors contributing towards entrepreneurial behaviour and to examine problems/constraints faced by them.

MATERIALS AND METHODS

The present study was carried out in tea growing areas of Kangra district of Himachal Pradesh (India) and Nuwara Eliya district of Sri Lanka. Multi-stage random sampling technique was employed to select tea growing locations, villages and households from

Kangra and Nuwara Eliya district. In the first stage of sampling, three locations were randomly selected from each selected district for the present investigation. In the second stage, a complete list of all villages was prepared from each selected tea growing location and one village from each location was randomly selected, thus, making a total sample size of 6 villages (three villages from Kangra district and three from Nuwara Eliya district). In the final stage, a complete list of all the households of the selected villages was prepared with consultation of members of Panchayat (India) / Gramasewaka (Sri Lanka). Keeping the time and resource constraints in view, a manageable sample of 25 households from each selected village was randomly chosen thus making a total sample size of 150 households. Data were collected through personal interview and was analysed by using tabular techniques and step –wise regression analysis.

Entrepreneurial Behaviour Index (EBI)

Entrepreneurial behaviour index is an aggregate measure of eleven components. These components were measured with the help of different scales developed by Nandapurkar (1982) on achievement motivation, leadership ability, farm decision making, ability to co-ordinate farm activities, knowledge of farming, cosmopolitness innovativeness and Samantha (1977), Supe (1969) and Murali (1977) on management orientation, risk taking ability and self confidence, respectively. Utilization of available assistance was also measured with the help of scale developed considering available assistance in the study areas. The different scales were applied by giving different score values (See example given in annex I). To make it comparable, the scores were computed out of ten. The composite EBI was developed by aggregating all the scores of the above components.

Regression analysis

To identify key determinants of entrepreneurial behaviour of women, step - up regression analysis was employed using SPSS version 9.0. The functional form of the key determinants of entrepreneurial behaviour of women was given as under;

$$Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3 + B_4X_4 + B_5X_5 + B_6X_6 + B_7X_7 + B_8X_8 + B_9X_9 + B_{10}X_{10} + B_{11}X_{11} + B_{12}X_{12} + B_{13}X_{13} + \mu_1$$

Where,

Y = Entrepreneurial behaviour index

X₁ = Caste

1, if a woman belongs to upper caste

0, if the woman is from lower caste

Age (in yrs)

X₃ = Education level of women

0, if the woman was illiterate

- 1, if she had studied up to primary
- 2, if she had studied up to middle
- 3, if she had studied up to matric
- 4, if she had studied up to secondary
- 5, if she had studied up to Graduate and Postgraduate level
- X_4 = Social participation
 - 1, if a woman was a member of any organization
 - 0, if she was not a member
- X_5 = Land holdings (in acres)
- X_6 = Experience in farming (in yrs)
- X_7 = Income from farming (included income from tea and other field crops) (Rs./annum)
- X_8 = Total household's income (Rs/annum)
- X_9 = Marketing facilities
 - 3, if the market facility is available <5 km distance (local)
 - 2, if the market facility is available <5 -20 km distance (near)
 - 1, if the market facility is available >20 km (away)
- X_{10} = Economic motivation (schedule developed by Supe, 1969)
- X_{11} = Scientific orientation (schedule developed by Supe, 1969)
- X_{12} = Training received (in days)
- X_{13} = Information source utilization (schedule developed)
- B_0 = Intercept term
- B_1 B_{13} = Regression coefficients
- μ_1 = Random error term

RESULTS AND DISCUSSION

Components of entrepreneurial behaviour

Among the components of entrepreneurial behaviour, achievement motivation, management orientation and risk taking ability in order of ranking were the important pointers for the women in Kangra district and such type of findings have been confirmed by Subramanyeswari *et al.* (2007). On the other hand, achievement motivation, management orientation and ability to co-ordinate the farm activities were found to be the important components of entrepreneurial behaviour of women in Nuwara Eliya. Achievement motivation is the desire or need to excel and achieving a certain goal. It was observed from the results that majority of sample households in both the study areas possessed land below 0.5 acres. Therefore, small land holders may have the desire to extend their farm size and increase their economic level and this might be the reason for the achievement motivation being occupied first position among the eleven components of entrepreneurial behaviour of women in both the study areas. Interestingly, the women in Kangra were found of more risk averse nature and reverse was found true in Nuwara Eliya. However, risk taking

ability was not contributed much to the entrepreneurial behaviour of rural women in Nuwara Eliya as in case of Kangra district. Limited participation in social activities, lack of awareness about different information sources and their utilization and poor financial status might be another weaklinks for women in Kangra district, that is why they opted for the positions of leadership ability (V), farm decision making (VI), utilization availability assistance (VII), ability to coordinate farm activities (VIII) and knowledge of farming (IX). Low mobility and exposure due to restrictions and heavy work load might have attributed to the tenth position for cosmopolitaness in Kangra district (Table 1).

Table 1. Ranking of components according to their Relative contribution to entrepreneurial behavior among the rural women

Components	Kangra		Nuwara Eliya	
	Mean score	Rank	Mean score	Rank
Achievement motivation	7.89	I	8.46	I
Management orientation	7.06	II	8.43	II
Risk taking ability	6.39	III	6.60	VIII
Self confidence	6.07	IV	6.67	VII
Leadership ability	5.57	V	7.40	IV
Farm decision making	5.35	VI	7.37	V
Utilization of available assistance	4.86	VII	5.97	X
Ability to co-ordinate farm activities	4.63	VIII	7.41	III
Knowledge of farming	2.25	IX	6.93	VI
Cosmopolitaness	1.21	X	6.23	IX
Innovativeness	0.98	XI	1.26	XI
Entrepreneurial Behaviour Index	52.26		72.72	

Further, women in both the study areas might have developed negative attitude towards the new technologies due to satisfaction of the results of technologies adopted earlier and unawareness of new technologies that attributed to their least inclination towards innovativeness (eleventh rank) which is one of the components of entrepreneurial behaviour. The overall entrepreneurial behaviour score shows that women in Nuwara Eliya district have more entrepreneurial behaviour than their counterpart in Kangra district.

Determinants of entrepreneurial behaviour of women

A farm woman may be differentiated in terms of her lifestyle, attitude, values and behaviour which together attribute her entrepreneurial behaviour. In this context, the findings revealed that education, farm income, economic motivation and accessibility to market were the key determinants of entrepreneurial behaviour of women in Kangra district. The positive

impact of education implies that as the level of education increases, her entrepreneurial behaviour also increases. This may be due to the fact that education provides directions to the thinking process of the individual, hence improves her entrepreneurial behaviour. Similar findings were also reported by Mundhwa and Podhera (1998), Banajee and Talukdar (1997), Jajalekshmi *et al.* (1999), Subramanyeswari *et al.* (2007) from their respective studies. Higher farm income improves the achievement motivation and also increases the ability of adoption of innovations and risk taking, thereby farm income showed positive impact on entrepreneurial behaviour (Table 2).

Table 2. Determinants of entrepreneurial behaviour of women

Variables	Kangra		Nuwara Eliya	
	B	T cal	B	T cal
Constant	29.043***	3.911	31.765**	2.200
Age	-	-	0.581***	3.733
Caste	-0.233	-1.500	-	-
Education	0.331**	2.181	0.108	0.263
Family size	0.420	0.920	-0.268*	-1.741
Land holdings	-0.100	-0.664	-0.263	-1.528
Household income	-0.058	-0.332	-	-
Farm income	0.537***	3.128	0.269**	1.795
Experience	0.130	0.843	-	-
Economic motivation	0.367**	2.324	-	-
Scientific orientation	-	-	0.078	0.521
Training	-	-	0.197	1.232
Market	0.391*	1.753	0.098	0.638
Information source	-	-	0.454***	2.971
Variables	0.710***		0.595***	
F (cal)	6.825		5.634	

Figures marked by ***, ** and * denote significance level at 0.01, 0.05 and 0.1 level of probability, respectively. B denotes the regression coefficient

These findings are in agreement with the study of Banajee and Talukdar (1997). Age, farm income and information sources were the important determinants of entrepreneurial behaviour of women in Nuwara Eliya. The positive effect of age indicates that old age woman has a greater entrepreneurial behaviour than young ones. This may be due to the fact that availability of employment opportunities for young females in garment sector can provide more income and status than that of agriculture, but old women do not have any other option than agriculture for earning livelihoods. Another possible reason may be, as age of the woman increases her experience also increases which in turn influences the

entrepreneurial behaviour. However, Mundhwa and Podheria (1998) and Saxena and Tripathi (1998) reported that young age women have more entrepreneurial behaviour than old age. As far as the findings of information utilization is concerned, easy accessibility of information sources which in turn updates the knowledge of farming might have attributed positive impact on entrepreneurial behaviour which is in agreement with the findings of Manjula (1999).

Problems/constraints faced by women being an entrepreneur

With regards to problems and constraints faced by women being an entrepreneur, poor knowledge about farming was a much severe constraint in both study districts, which perhaps might be due to low extension contacts, poor participation in extension activities and poor exposure of these women to mass media, *etc.* Sharma (1996), Chauhan (1999) and Chand (2000) also pinpointed these problems in farming in their studies. Majority of farm women in both study districts reported emphatically about the lack of knowledge, financial institutions, training institutions, marketing linkages and various schemes related to subsidies, loans, *etc.* For this, special awareness and knowledge campaign should be launched by extension agencies. Vepa (1992) also reported that a large number of women entrepreneurs have no awareness about programmes launched by the government or private agencies. Among different problems associated with farm credits, the lengthy and complicated procedure for getting credit was the most important hindrances mentioned by them. This problem was reported by few women in Kangra district, since they were not much interested to take loans for farming. Good price as a result of high demand for the product encourages investment in farming. However, majority of females stated that low price due to no demand in the local market was a constraint to them. The problem of high cost of farm inputs was perceived by the women in the case of application of manure and fertilizers, chemicals for weed control and plant protection measures. This problem might be due to the poor economic condition of sample households. Lack of subsidy was also identified as another problem faced by farm women. Singh *et al.* (1996) also reported that lack of subsidy was one of the major problems of Himachal farmers (Table 3).

CONCLUSION

Based on the findings it is suggested that among the scores of components of entrepreneurial behaviour, knowledge on farming, cosmopolitness and innovativeness were low in women of Kangra district, whereas in Nuwara Eliya district score on innovativeness is low. Therefore, extension agencies and other non-governmental organizations should make them more aware on technological developments, impact of adoption of scientific practices on their farming and women education. The concerned organization should concentrate more on contributing factors as revealed by the study, economic motivation, accessibility market and information source utilization and aim to improve these variables to their greater advantage, for promoting entrepreneurial behaviour among the rural farmers. Further, farm

Table 3. Problems / constraints faced by women being an entrepreneur (per cent)

Problems / constraints	Kangra	Nuwara Eliya
Problems related to knowledge and awareness		
Lack of knowledge about training institutions	100.00	57.14
Lack of knowledge about marketing linkage	100.00	57.14
Lack of knowledge about schemes of various department related to farming	100.00	67.67
Lack of knowledge about financial institutions	95.11	76.19
Poor knowledge about farming	65.2	71.43
Problems related to Institutions and marketing		
Difficulty in getting loan	20.32	72.43
Lack of financial institution in the areas	50.23	52.38
Lack of requisite support from concerned organizations	85.27	76.19
Lack of demand in local market	70.00	43.86
Lack of marketing centers	50.23	14.29
Competition from larger & well established centers	5.01	52.38
Problems related to Inputs		
Non availability of raw materials	30.05	62.90
High cost of raw materials	85.27	76.19
Untimely supply of raw materials	35.00	33.33
Untimely availability of labour	-	33.33
Lack of family support	10.01	4.52

women in Kangra district pointed out that the major problems faced by them as lack of knowledge about training institutions, marketing linkage, schemes of various department related to farming, financial institutions, lack of requisite support from concerned organizations and high cost of raw materials, whereas in Nuwara Eliya district the contributory factors were lack of knowledge about financial institutions, difficulty in getting loan, lack of requisite support from concerned organizations and high cost of raw materials. Therefore, appropriate action should be taken by the concerned organizations to overcome problems faced by women entrepreneurs.

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Annex I

Achievement Motivation

Every body has a desire to achieve the things in his/ her life. Please state that you have following qualities.

Statements	Agree	Undecided	Disagree
Being comfortable is more important to me than getting ahead			
I get restless and annoyed when I feel I am wasting time			
I always worked hard in order to be the best in my life (School, Organization, profession)			
I tend to plan ahead for my job or career			
I inclined to read the successes of other rather than do the work of making myself success			
I am an ambitious person			
I should describe myself as being lazy			
I inclined to take life as it comes without much planning			
It is better to be satisfied with what one has than to struggle for more			
No matter what one has achieved, it is better to aspire for more			
Even though the task is difficult, I have determination and ambition to achieve it			
When working in groups, I try to excel others in similar task			
I work hard in a given task regardless of suitable rewards			
I often desire to be successful in doing something very significant in this enterprise			
