

A Study on the Satisfaction of Agripreneurs towards Institutional Support with Reference to Bangalore rural District

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Abstract

Agribusiness is the business of agricultural production, including farming, processing, distribution and marketing of agricultural products. It encompasses a range of activities from the production of crops and livestock to the manufacturing of food and other agricultural products, such as textiles, biofuels, and pharmaceuticals. Agribusiness also includes the supply of inputs, such as fertilizers, seeds, and machinery, and the provision of services such as consulting, credit, and insurance. Also Agribusiness is a vital sector for many countries contributing to economic development. Institutional support in nascent stage like planning support, production support, marketing and other support for agribusiness can play a crucial role in promoting sustainable agricultural practices improving farmers' access to resources and enhancing their productivity and profitability. Further institutional support for agriculture can come from a variety of sources including research institutions, extension services, agricultural finance and insurance institutions, government policies and programs and international organizations. These supports help farmers to overcome challenges, improve their productivity and contribute to food security and economic growth. The study is an

effort carried out to analyse the satisfaction of agripreneurs towards institutional support provided by the Government based on business factors like size of enterprise and current position of business. A total of 210 agripreneurs from Bangalore rural district, Karnataka state were selected based on Cluster Area Sampling method and were surveyed using pre-tested interview schedule and the collected data were analysed using descriptive statistics and one-way ANOVA. The study results indicate the satisfaction towards institutional support differs significantly based on size of enterprise except in case of other supports provided. On the other hand, current business position causes significant difference in the satisfaction towards technical and marketing supports provided.

Key Terms: Agribusiness, Agripreneurs, Economy, Finance, Institutions

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Introduction:

Well-being of the farmers is vital to the nation's prosperity as farmers and agriculture is sentinel of our food security. India ranks second in worldwide farm produces and in India majority of the people depends on agriculture for their livelihood but the contribution from the sector to gross domestic product is not up to the mark and it is negligible when compared to the workforce it has involved. Since if technology and policy intervention are not blended with agriculture, the productivity would continue to remain same and burden on agriculture continue with huge number of disguised unemployment. With this context, bringing the structural changes in Indian agriculture through innovative agricultural entrepreneurship is highly essential.

Institutional support for agribusiness can take many forms like in planning, production, marketing etc and it includes government policies, programs and funding as well as private sector initiatives. Overall, institutional support for agribusiness can play an important role in promoting the growth and development of this sector, which is critical for food security, economic development, and job creation in many countries around the world.

Some examples of institutional support for agribusiness are:

- **Agricultural subsidies:** Governments can provide financial support to agribusinesses through subsidies used to cover the costs associated with production, research and development and marketing.
- **Agricultural extension services:** These are government or private sector programs that provide farmers and agribusinesses with education, training and technical support to improve their productivity, efficiency and profitability.
- **Trade Policies:** Governments can promote agribusiness by implementing trade policies which facilitate the export of agricultural products, such as lowering trade barriers or negotiating trade agreements.
- **Infrastructure development:** Governments and private sector investors can fund infrastructure projects such as roads, bridges and ports that support the transportation and distribution of agricultural products.
- **Research and development:** Governments and private sector organizations can invest in research and development to improve agricultural practices, develop new technologies and find innovative solutions to challenges faced by agribusinesses.
- **Access to finance:** Agribusinesses can benefit from access to financing which can help them fund their operations, expand their businesses and invest in new technologies and practices.

Literature Review:

Singh & Kumar (2022) opined that without proper financial institutions i.e., banks, co-operative finance, government scheme could not be converted into reality because as money is the foundation for any kind of entrepreneurship. It is argued that, the most important endeavour of the agri clinics an agribusiness scheme is to reach the non-privileged; deprived farmers through the channel of agriculture and who are seeking of opportunity and wish to start their own business or advisory services for the benefit of the society and for themselves by earning money. In absence of money, they cannot set up their ventures and will not be able to extend the facilities of their venture. So, it is concluded that banks play a very important role in the successful implementation of this scheme.

Sinaini & Iwe (2020) found that agriprenurship is distressed from inadequate institutional arrangements in the rural area. Hence, he suggested that organized model of agribusiness institutions between farmers like farmers group institutions, a combination of farmers groups, co-operatives, community economic institutions, village owned enterprises, processing and marketing corporation, institutions like banks, extension, research and development and universities other government institutions can increase the production and income of farmers on an on-going basis. They conclude that farmer assembly institutions play an exciting

role as a learning class, a forum for co-operation and acts as a manufacture unit collectively by holding on-going co-operation with extension institutions, R & D institutions, universities, government etc.

Chaitra et.al (2020) pointed out that Agriclincs and Agribusiness Centres scheme is an effective scheme of occupational opportunities to agricultural students and also helps in refining the Indian rural economy. It is recommended that agricultural universities as well as research institutions and various auxiliary organizations should provide regular support and direction to the agriculture graduates engaged in agri-business activities also highlighting the necessity of connecting the financial organizations with training establishments to boost the growth of Agriprenuership.

Taufiq Ahmad et.al (2019) described that agricultural graduates involved in the agribusiness would receive consistent support and guidance from the MANAGE and NABARD for the development in the performance of Agriclincs and Agri-business centre scheme. He suggested that it is much needed to setup a state level co-ordination committee between MANAGE and Nodal training Institutes to ensure smooth implementation, monitoring and evaluation of the training programmes.

Parihar et.al (2019) analysed that agri-clinics and agri-business centres scheme is necessary for agri graduates. As focused training, credit facility, grant and handholding sustenance for the institutions of agri-business/agri-venture help agri entrepreneurs to establish their ventures in well manner. It is suggested that covering more number of agripreneurs for the training helps larger community of farmers to build up their projects and also helps to improve existing ventures which are in nascent stage.

Anggriani et.al (2019) opined that finance is the most critical aspect of small and micro enterprises. The sustainability of agribusiness depends upon micro finance organization not only designated by financial sustainability as an alternative but must be followed with outreach sustainability. Micro finance institution's growth at present demands every agribusiness microfinance institution to conduct effective and efficient business. So it is advised that state government has high responsibility to create more number of micro finance institutions in order to support the agro entrepreneurs.

Statement of the Problem and Need for the Study:

The agri business or agriprenurship is facing a major hurdle in current scenario like problem of basic amenities such as infrastructure, transport, communication, credit institutions and limited access to market information and also low literacy level among farmers, multiple channels of distribution and insufficient funding of government towards agri business and although technology has been improved, it has not able to reach the rural levels as it is confined to urban areas alone.

Thus, in order to minimize these problems, an effective way of institutional support over allocation of funds desired to infrastructure plans and supervision for effective plans implementation needed, as well as the core areas like transport, communication, roads, credit institutions, crop insurance are essential to help the well-being of agriprenurs. The managerial, technical and innovative skills of entrepreneurship applied in the field of agriculture may yield positive results and a well-trained agriprenurs may become a role model to all disheartened farmers. All these developments have created new opportunities and scope for agriculture and agribusinesses. Hence, altogether an efficient agricultural marketing and entrepreneurship system leads to optimization of resource use and output management. It ensures higher level of income for farmers and reduces the number of intermediaries or by restricting the cost of marketing services and the malpractices.

Research Gap:

No evidences of research work undertaken considering the satisfaction of agripreneurs towards institutional support provided in Bangalore District of Karnataka state are available. Further, no works have tried to figure out the difference in the satisfaction based on business factors and the present work tries to fill the existing research gap.

Research Question:

Whether there exists any significant difference in the satisfaction of agripreneurs towards institutional support provided to them based on size of enterprise and current business position in Bangalore District?

Study Objective:

The objective is to study the satisfaction of agripreneurs of Bangalore district, Karnataka state towards institutional support provided to them. It further explores difference in mean rating scores of satisfaction of agripreneurs towards institutional support provided based on business factors like size of enterprise and current business position.

Hypotheses of the Study:

“H1: There is no significant difference in institutional support according to enterprise size of respondents”

“H2: There is no significant difference in institutional support according to the current business position.”

Scope of the Study:

The study is carried out by covering six broad agri business categories of agripreneurship viz., – Agriculture, Horticulture, Animal Husbandry, Sericulture, Fisheries and Value Addition in Bangalore district of Karnataka state.

Research Design:

The work is exploratory cum descriptive in nature.

Sample Design:

A total sample of 210 agripreneurs covering six broad agri business categories of agripreneurship viz., – Agriculture, Horticulture, Animal Husbandry, Sericulture, Fisheries and Value Addition in Bangalore rural district of Karnataka state (Devanahalli, Doddaballapura, Hoskote and Nelamangala taluks) were selected and surveyed based on Cluster Area Sampling method out of the total population of 1681 agripreneurs of Karnataka.

Data Sources:

Primary data were collected from the sample respondents through an interview schedule whereas secondary data were from relevant research articles in journals, books, e-sources and theses.

Research Instrument:

A structured interview schedule was used to collect the required data from sample respondents.

Analytical Tools:

Data collected were analysed using SPSS software. Statistical tools like descriptive statistics and one-way ANOVA were used to present and test the data in order to fulfill the objectives of the study.

Data Analysis and Interpretation:**I. The Effect of Enterprises' Size**

This section is devoted to study the effect of enterprise size on institutional support satisfaction among agripreneurship.

Table-1.1**The Effect of Enterprises' Size**

Enterprises' Size Effect	Category	N	Mean	Std. Deviation	F	Sig.
Planning Support	Micro	18	22.47	6.217	3.972	0.020
	Small	63	22.66	6.382		

	Medium	129	20.97	5.620		
	Total	210	21.60	5.951		
Production Support	Micro	18	16.92	5.256	4.597	0.011
	Small	63	18.90	6.772		
	Medium	129	17.00	5.625		
	Total	210	17.57	6.017		
Marketing Support	Micro	18	17.58	7.077	5.945	0.003
	Small	63	20.81	7.674		
	Medium	129	18.33	6.944		
	Total	210	19.02	7.266		
Other Support	Micro	18	16.89	4.786	2.107	0.123
	Small	63	17.14	5.181		
	Medium	129	16.05	5.096		
	Total	210	16.45	5.110		

Source: Primary Data Analysis

The investigation of institutional support anticipated by agripreneurs as per the table shows that there is a significant difference in planning ($F = 3.972$, and $p = 0.020$), production ($F = 4.597$ and $p = 0.011$) and marketing support ($F = 5.945$ and $p = 0.003$) among agripreneurs according to the difference in the size of enterprises, which means that the size of the agribusiness unit influences these three types of support among agripreneurs. However, the other types of support ($F = 2.107$ and $p = 0.123$) are not found significantly different based on size of enterprises.

This is an indication that the part of the first hypothesis that states “*H1: There is no significant difference in institutional support according to enterprise size of respondents*” is **partially accepted** as there is a **significant difference** observed in **planning support, production support and marketing support**.

II. The Effect of Current Business Position

This section is an investigation of the effect of current business position i.e., whether it is in loss, profit or at a shutdown point on satisfaction towards institutional support among agripreneurs in Karnataka.

Table-1.2

The Effect of Current Business Position

Current Business Position Effect	Category	N	Mean	Std. Deviation	F	Sig.
Planning Support	In Loss	43	21.78	5.623	0.419	0.658
	Shutdown point	8	20.27	4.061		
	In profit	159	21.62	6.115		
	Total	210	21.60	5.951		
Production Support	In Loss	43	17.42	5.330	0.070	0.933
	Shutdown point	8	17.20	6.879		
	In profit	159	17.63	6.166		
	Total	210	17.57	6.017		
Marketing Support	In Loss	43	19.66	7.485	0.994	0.371
	Shutdown point	8	20.80	6.416		
	In profit	159	18.76	7.240		
	Total	210	19.02	7.266		
Other Support	In Loss	43	16.07	5.341	1.036	0.356
	Shutdown point	8	15.00	4.192		
	In profit	159	16.62	5.082		
	Total	210	16.45	5.110		

Source: Primary Data Analysis

Investigating the satisfaction towards institutional support by agripreneurs against current business position, reveals that there is no significant difference in institutional support satisfaction against the variations in the current position of business enterprise which is an indication that planning ($F = 0.419$ and $p = 0.658$), production ($F = 0.070$ and $p = 0.933$), marketing ($F = 0.994$ and $p = 0.371$) and

other support ($F = 0.036$ and $p = 0.356$) are not significantly different according to the difference in the current business position.

It clearly brings out that the part of the second hypothesis that states “*H2: There is no significant difference in institutional support according to the current business position.*” is **accepted as there is a no significant difference in all the four supports provided.**

Major Findings of the Study:

- There is significant difference in satisfaction towards planning support among agripreneurs based on size of enterprise ($F = 3.972$ and $p = 0.020$).
- There is significant difference in satisfaction towards production support among agripreneurs based on size of enterprise ($F = 4.597$ and $p = 0.011$).
- There is significant difference in satisfaction towards marketing support among agripreneurs based on size of enterprise ($F = 5.945$ and $p = 0.003$).
- There is no significant difference in satisfaction towards other support among agripreneurs based on size of enterprise ($F = 2.107$ and $p = 0.123$).
- There is no significant difference in satisfaction towards planning support among agripreneurs based on current business position ($F = 0.419$ and $p = 0.658$).
- There is no significant difference in satisfaction towards production support among agripreneurs based on current business position ($F = 0.070$ and $p = 0.933$).
- There is no significant difference in satisfaction towards marketing support among agripreneurs based on current business position ($F = 0.994$ and $p = 0.371$).

- There is no significant difference in satisfaction towards other support among agripreneurs based on current business position ($F = 0.036$ and $p = 0.356$).

Suggestions:

- There is need to extend proper planning, marketing and production support by institutions based on needs of business enterprise.
- Partiality based on size of business needs to be eliminated since small business units required more initial support in the nascent stage, otherwise possibility of loss and shutdown of enterprises may increase.
- There is a need of publicity of institutional schemes towards the agricultural entrepreneurship.
- Farmers and agribusiness owners can build a strong network of other farmers, entrepreneurs and organizations that can provide support, advice and guidance which in turn can also help in finding potential customers, suppliers and investors.
- Farmers and agribusiness owners can work together to advocate for policy change at the local, state and federal levels. This can include changes in tax laws, regulations and incentives that support the growth of agribusiness.
- Agribusiness owners should invest in their own education and training to build their skills and knowledge which can include attending workshops, seminars and conferences or pursuing higher education degrees in related fields.

Conclusion:

Agricultural entrepreneurship shares many features of entrepreneurship but it has uniqueness in its nature. Since the developing country like India it's indeed that economy needs to be strengthened through more number of entrepreneurs and with effective employment generation. It is clear that there is great scope for entrepreneurship in agriculture and this potentiality can be tapped only by effective management of Agri elements an individual with risk bearing capacity and quest for knowledge in agriculture sector can prove to be right Agripreneurs. Hence, proper planning and policy intervention in agriculture and also proper support by institutions could help the sector to be improved and with that it is possible to find solutions for many rural poor.

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