

## **Need System and Entrepreneurial Motivation for a Sustainable Agri-venture**

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### **Introduction**

Agriculture and allied sector, the very life blood of our country, the source of livelihood of more than 70 per cent of the country's population that establishes a strong base upon which the entire edifice of the country's economy stands. But the vast majority of Indian farmers are not still able to cope up with the opening of Indian agricultural sector to market forces. During the last 3-4 decades, though the rapid technological stride has made the agriculture production process more knowledge and/or capital intensive across a wide range of agriculture and allied sectors, it did not necessarily provide a long term growing economic base, resulting into a downfall in the creation of employment opportunities particularly in the agro- industry sector.

Thus the new approach emerged over the past decade is the development from the bottom level of the population, which emphasizes that the development of agricultural sectors by stimulating local entrepreneurial talents that is to build up a first generation entrepreneurs who may take up the risks and accept the uncertainties of new ventures in agriculture and allied sectors thereby ensuring continuous development. Factually, the economic growth of a country is largely attributed to commodity based entrepreneurship development in various sectors which brought out the concept of entrepreneurship with the objective of developing small-scale industries. In spite of India's high-profile economic growth in recent times, more than 300 million Indians still live in poverty, in which more than two-thirds of the population depend on agriculture and allied sectors for their livelihood and they are largely at small-scale or subsistence level.

Today, India establishes its strong position in global fish production scenario next to China. Indian fisheries is considered as a sunrise sector with high potential for rural development, gender mainstreaming, food and nutritional security as well as export earnings that can be treated as an enterprise in the form of a rural entrepreneur-led hybrid model for small scale fishers that provide ample employment opportunities to more than 14 million people engaged in the sector. Being a potential foreign exchange earner, this sector stimulates growth of subsidiary industries assuring

availability of affordable nutritious food for socio-economically backward small farm holders. Hence, the entrepreneurial opportunities involved in fisheries sector have to be rightfully explored and utilized through entrepreneurial motivation, technology empowerment, skill up-gradation through different management techniques and sustenance mechanism. So, there is need of developing trained manpower to venture for fish-preneurship.

Hence development of entrepreneurial skills of the individual in addition to professional training, skill and the orientation to work in a competitive environment in this sector assumes immense importance for its present and future prospects. The importance of the entrepreneurship development in India can be very well understood in the light of the declining overall rate of growth of employment in the agriculture and allied sector.

### **Concept of entrepreneur and entrepreneurship**

An entrepreneur is basically an innovator who introduces something new in to the economy. According to Schumpeter (1961) an entrepreneur was a dynamic agent of change, or the catalyst who transformed increasingly physical, natural and human resources into corresponding production possibilities. This implies that there are vast entrepreneurial opportunities for an emerging entrepreneur to explore the gainful projects in various agro-sectors like fruits and vegetables, floriculture, organic farming, value addition and processing, bio-fertilizers, biotechnology, medicinal and aromatic plants, dairy, piggery, poultry, mushrooms, seed production etc. for the prospective of sustainable farming. A farmer does not become an entrepreneur only by adopting a new agricultural technology but he becomes an entrepreneur only when he comes to be an operator of a farm business that involves rational decisions on investment after assessing risk, other alternatives and possibilities or profit and loss (De, 1986). Accordingly it can be ascertained that an entrepreneur can create a new combination of productions by utilizing all the resources by taking risks or by exploring the marketing opportunities; thus eliminates the disequilibrium between aggregate supply and demands (Tyson, Petrin and Rogers, 1994). It is thus concluded that an entrepreneur is a dynamic agent of change, or catalyst who transforms the physical, natural and human resources in to corresponding production possibilities. He is the key person who envisages the new opportunities, innovative technologies , new lines of production and coordinates all other activities to establish a successful enterprise. Similarly the concept of entrepreneurship can be very well established by mentioning the entrepreneurial skills that will be required to improve the quality of life for individuals, families or communities to bring a sustainable development.

Entrepreneurship is the method of bridging the gap between science and the market place, thus creating new enterprises, bringing new products and services to the market. These entrepreneurial activities significantly affect the overall economy of an area by establishing the economic base and providing the new employment opportunities. So entrepreneurship is considered as a focal point of economic development. It is multidimensional encompassing financial, managerial and functional aspects.

An overview of the literature pertaining to the concept of entrepreneurship expresses that entrepreneurship is an important factor in economic development associated with a package of personality characteristics like leadership, innovativeness, risk taking ability and so on that are associated precisely in an effective farming business (Rao and Mehta, 1978 & De, 1981). Entrepreneurship is often identified with the creation of new business ventures. It is mostly described as the function of various *entrepreneurial factors*, *entrepreneurial functions*, *entrepreneurial behaviour*, *entrepreneurial initiative*, and *entrepreneurial spirit*. The *entrepreneurial factor* includes the land, labour and capital which can be obtained through the income of the entrepreneur shows the entrepreneurial capabilities. The *entrepreneurial function* refers to the discovery and exploitation of the opportunities to create the enterprise. The *entrepreneurial behaviour* is considered as behaviour that manages to combine innovation, risk-taking and proactiveness (Miller, 1983). In other words, it combines the classic theories of Schumpeter's innovative entrepreneur (1934, 1942), the risk-taking entrepreneur as proposed by Knight (1921), and the entrepreneur with new initiative and imagination creates new entrepreneurial opportunities. Similarly *entrepreneurial initiative* underlines the reasons for correctly anticipating market imperfections or the capacity to initiate in order to create a "new combination". Entrepreneurial initiative covers the concepts of creation, risk-taking, renewal or innovation inside or outside an existing organization. Lastly, the *entrepreneurial spirit* emphasizes exploration, search and innovation as opposed to the exploitation of business opportunities pertaining to entrepreneurs.

According to Timmons (1999) the doyen of entrepreneurship education "Entrepreneurship is a way of thinking, reasoning and acting that is opportunity obsessed" and surely this is much more than merely managing? In the same way entrepreneurial skills refer to those activities /practical know-how, that are needed to establish and successfully run a business enterprise may comprise the areas like finance, accounting, marketing or production (Smilor, 1997 and Kilby, 1971). The entrepreneurial skill involves the following skills for a successful farm enterprise:

(1) **Personal skills:**

- innovation;
- initiative;
- risk-taking;
- ability to deal with the unknown with ease;
- accepting challenges;
- taking responsibility; and
- seeking opportunities in change.

(2) **Interpersonal skills:**

- interacting with others effectively;
- communicating effectively;
- negotiating;
- influencing; and
- demonstrating leadership.

(3) **Process skills:**

- ability to plan and organize;
- ability to analyse synthesise and evaluate; and
- ability to execute the plan

In agriculture entrepreneurship is an act of assuming risk of business ownership as compared to other enterprises because due to natural hazards and some manmade technical constraints agriculture is no more a paying venture, but if one undertake agriculture in the form of business based on well proven scientific knowledge, latest technological packages blended with pre-planning, pre-budgeting etc., then agriculture turns out to be the most profitable venture.

**Characteristics of successful entrepreneur**

To be a successful entrepreneur a person has to acquire and develop certain traits/qualities, which can be inculcated by training and motivation.

- ⇒ High achievement motivation
- ⇒ Insatiable drive and personal enthusiasm
- ⇒ Readiness for challenge
- ⇒ Problem solving attitude
- ⇒ An overpowering need to achieve
- ⇒ Visionary and goal setting
- ⇒ Positive mental attitude
- ⇒ Dealing with failure
- ⇒ Objectivity
- ⇒ Risk taking propensity
- ⇒ Respect attitude towards money
- ⇒ Tendency to anticipate developments
- ⇒ Resourcefulness

- ⇒ Communication abilities
- ⇒ Technical expertise
- ⇒ Spirit of innovation
- ⇒ Self initiative and personal responsibility
- ⇒ Competing against self imposed standards
- ⇒ Regularity and dedication to work
- ⇒ Confidence in self capability
- ⇒ Time management
- ⇒ Use of feed-back
- ⇒ Strong desire to work hard
- ⇒ Ability to listen others and network
- ⇒ Drive and energy
- ⇒ Long term involvement
- ⇒ Total commitment and immersion
- ⇒ Strong self efficacy
- ⇒ Strong desire to learn new and different things
- ⇒ Cooperativeness and strong team player
- ⇒ Good Coach/trainer
- ⇒ Readiness for challenge

In view of the above, there is a strong need to diversify and commercialize agriculture. Agriculture should move from being just a way of life *i. e* .culture, to become a dynamic entity *i.e.* agribusiness; provided the farmers need to possess the qualities of a successful entrepreneur, so that there can be an upward surge in the agricultural status of the country, which will be reflected in the national economy eventually paving the way for development of our nation.

### **Dynamics of motivation in entrepreneurship**

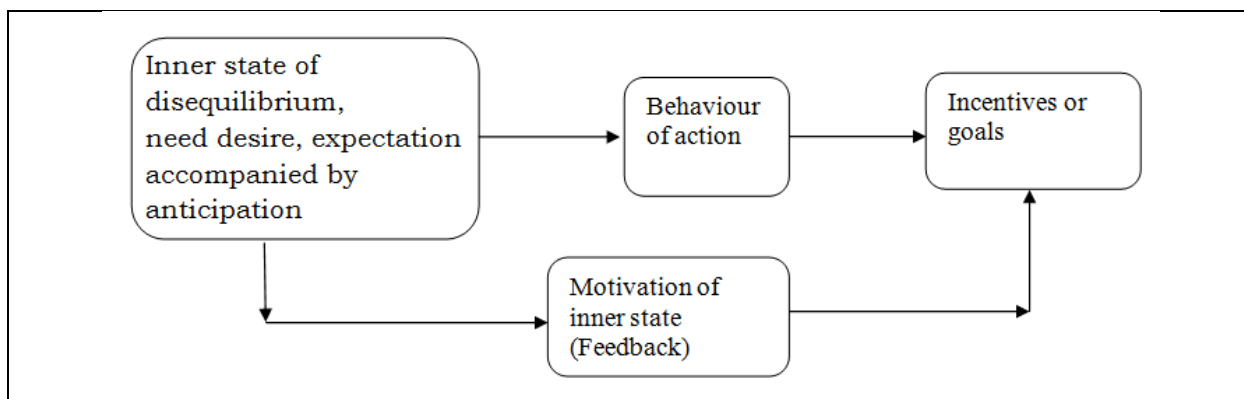
What motivates an entrepreneur to take all the risks and launch a new venture, pursuing an entrepreneurial career against the overwhelming odds or failures and why he / she took up the risk in starting a new venture irrespective of his/ her background and financial status? The answer to this question lies in the explanation of motivation. As per the study, motivation broadly refers to two areas viz. , (a) motivating self, (b) motivating others. Motivational theory is based on the fact that behaviour is essentially purposeful and directed towards the attainment of the goal. The psychologists have described the term motivation as

- the immediate influence in direction, vigour and persistent of action;
- the process of arousing the action sustaining the activities in progress and regulating the pattern of activity;

- an inner state of mind that energises the activity and directs the behaviour towards goal;
- how behaviour started, energised, directed and sustained and what made it possible ?;
- steering one's action towards attaining certain goals

In order to understand the whole concept of motivation as described above, there is need to answer three questions as follows:

- ⇒ *What energises human behaviour?*
- ⇒ *What directs such behaviour?*
- ⇒ *How is this behaviour maintained and sustained?*



The model indicates that an individual possess a varying multitude of need, desire and expectations and the reaction of these activators are generally characterised by two type of phenomena; first, the emergence of such, need, desire and expectation will create a state of disequilibrium within the individual, which he/she will try to reduce ; second, the presence of such need, desire and expectation is normally associated with an anticipation that arouses action would lead to reduction of this disequilibrium, which is the incentive or goal for the initiation of action (behaviour). This is the motivation for action leads towards certain goal which may constitute of series of behaviour within the individual or in his environment, which feeds the information back to the individual in relation to the impact of his behaviour. This model cues may lead the individual to modify/cease his behaviour or he may presume that his mode of present behaviour is absolutely correct. So this model of motivation formed three postulates like:

- a) The behaviour is caused (need) ----- A state of need is called *motive*.
- b) The behaviour is motivated (drive) ----- The drive behaviour is called *motivated*.
- c) The behaviour is goal directed ----- Attainment of need and reduction of drive by goal achievement is known as *process of motivation*.

## **Entrepreneurial motivation**

The motivation which is considered as the determinant for entrepreneurial growth is termed as entrepreneurial motivation. In general, motivation is defined as the state within an organism which energizes or activates its behaviour towards a particular goal. Any economic activity with a profit motive can only be achieved by promoting an attitude towards entrepreneurship development. David McClelland (1969) emphasised the importance of achievement motivation as the basis of entrepreneurial personality development and a cause of economic and social development through entrepreneurship by fulfilling the following needs such as:

- 1) **Need for achievement:** It is referred to as one's desire for maintaining some standard of excellence in a performance related situation.
- 2) **Need for power:** It is referred to one's desire to control or influence any on-going situation. Some people with a need for power seek leadership position to manage any situation. In that situation one may become a good manager/ supervisor.
- 3) **Need for affiliation:** It is identified as one's concern to establish, maintain and sustain affective relationship with others. Some people may require to sacrifice their life for others or wants to avoid interpersonal conflict in order to succeed, their achievement goals are related to group or community work.

Thus these three categories of social motives may differ from each other in terms of satisfaction through one's activities and in terms of thoughts, feelings and actions of the individual. Entrepreneurial motivation, therefore should be viewed in terms of set of social motives of varied strength such as high need to achieve, moderate need for power and low motive for affiliation. Among these motives, the achievement motive acquires a strategic and important position in terms of entrepreneurial motivation. Rogers and Svenning (1969) defined achievement motivation as a spontaneously expressed desire to do something well for its own sake rather than to gain power or love or recognition. They concluded that farm production was positively related to achievement motivation.

Hence achievement motivation ( $n$  Ach) can be defined as efficient in motivation which concerns efficiency and reflects through competition with others or with one's own standard of performance, an urge to do something unique, or to make the maximum utilisation of the resource around. It clearly indicates that achievement motivation ( $n$  Ach) is the pre-disposal or inclination of an individual to achieve something unique in a competitive situation. This establishes the importance of achievement motivation ( $n$  Ach) in terms of entrepreneurial motivation for entrepreneurship development and

a successful entrepreneur should have the high  $n$  Ach which signifies that it is better to reinforce the needed entrepreneurial behaviour rather than concentrating in a particular motivational dimension for making any entrepreneur viable and sustainable.

Finally, agri-entrepreneurship development should be viewed as a way of not only solving the problems of unemployment problems but also overall socio-economic advancement of myriads of farming community of the country which needs introducing small agri-business dynamism, encouraging innovative activities through entrepreneurial motivation and facilitating the process of balanced economic development. Thus a large part of our untapped human resources can be utilized to realize the dream of a sustainable livelihood with a spirit of enterprise in agriculture and allied sectors.

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