



Exploring the Entrepreneurial Climate and Attributes of Agripreneurs and its Determinants

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ABSTRACT

The entrepreneurial climate is a set of tangible and intangible factors that shape and create a climate for agripreneurship in a region or area. An attitude scale was developed with 44 items (36 items positive and 8 negatives) during 2022. It was administered to 120 agripreneurs of Uttar Pradesh and it was found that the majority of the factors namely institutional, psychological, cognitive, sociological, economical, and managerial were contributing significantly to creating and shaping the entrepreneurial climate. Among these major factors, managerial factors were contributing most prominently with the highest total mean score of 2.83. The possible relation between socio-personal, socio-psychological, and entrepreneurial variables was explored considering the various dimensions of entrepreneurial climate as dependent variables. It was found that the majority of characteristics was associated with entrepreneurial climate and was able to define to the extent of 62.30 per cent.

INTRODUCTION

Currently, major issues in Indian agriculture are declining producer share in consumer prices, significant post-harvest losses, a low percentage of agro processing, and value addition in agricultural commodities. Alongside lack of accessibility and availability of food anywhere/anytime across the globe indicate that there is a need of focusing on the promotion of secondary agriculture. Secondary agriculture is the biggest private agrienterprise as a majority of rural people are engaged in agripreneurial activity. Development of the agro-processing industry for value addition is the need of the hour to expand the market globally to enhance the accessibility and availability of food everywhere. There is a need to pay attention to issues other than agricultural productivity and output. In the wake of the government's focus on increasing the income of farmers, among other possible options, one of the strategies is the promotion of secondary agriculture (NITI Aayog, 2020). Despite many promotional schemes and incentives

agripreneurship has not taken off with the speed which was envisaged. What kind of entrepreneurial climate these schemes/policies have resulted in, needs to be probed. Agripreneurship development may be visualized as a process whereby individual's motivations and aspirations trigger it and their entrepreneurial competencies, adoption of best practices and facilitative socioeconomic factors play sequential role in reaching agripreneurial success (Singh et al., 2016) and well developed effective linkages among all the stakeholders resulted in higher profits for producers and consolidated production sites for marketing and supply chain agencies (Singh et al., 2014). The set of tangible and intangible factors shaping/influencing the performance of agrienterprises in a geographically defined area such as a village or blocks (Roxas et al., 2007) needs in-depth analysis. One notable manifestation of agripreneurs attitude is agripreneurship and the agripreneurs do not act in a vacuum, but react to entrepreneurial climate surrounding them (Peters & Waterman, 1982). A lot of attitude-based research avoids long-term development techniques. In many cases, researchers

modify an existing standardized scale for their current research (Nikam et al., 2014; Meena & Singh, 2013) or collect a pool of statements from the literature review and administer them to the respondents in Likert form for their level of agreement (Siebert et al., 2010; Badola et al., 2012; Ward et al., 2016; Singh et al., 2021; Kumar et al., 2021; Gupta et al., 2022).

The entrepreneurial climate is defined as factors that are critical in developing entrepreneurship in certain regions (Gnyawali & Fogel, 1994). Hence it is needed to find out and assessed the factors influencing the entrepreneurial climate. Thus, the entrepreneurial climate for promoting secondary agriculture may be conceptualized to be comprised of the factors *viz.*, institutional factors, psychological factors, cognitive factors, managerial factors, sociological factors, and, economical factors aspects within the boundaries of the firm and are of direct interest to an individual decision-making behavior in the system. The importance of an entrepreneurial climate for various stakeholders and agripreneurs is critical in stimulating occupational culture and agripreneurship to enhance the income of agripreneurs and helps in stimulating economic growth. There was increased need to understand what factors influence the development of a promotional entrepreneurial climate.

METHODOLOGY

The study was conducted in the state of Uttar Pradesh. The agripreneurs were selected on a cluster-based approach from districts and Mandal based on the availability of agrienterprises constituting 120 samples (Anonymous, 2022). The developed and standardized scale (Gupta et al., 2022) was used to measure on a five-point continuum from strongly agree to strongly disagree (SA-strongly agree, A-agree, NA-not agree, D-disagree, and SD-strongly disagree) with a score of 5,4,3,2, and, 1, respectively, for positive statements and reverse for negative statements. For further analysis mean, standard deviation, frequency and percentage were used. Further, the total mean score (TMS) was used for prioritizing the factor creating/shaping the entrepreneurial climate. The entrepreneurial climate was taken as a dependent variable and selected profile characteristics of agripreneurs were taken as

independent variables to find out the relation between them. The logistic regression model was used for regression analysis with its correlates with the help of SPSS20.0 and Excel Stat software to draw a valid conclusion.

RESULTS AND DISCUSSION

The standardized and developed scale was administered to 120 sampled agripreneurs for their responses towards the factors for creating/shaping/influencing entrepreneurial climate. Further, it was interpreted from the analysis of the responses given by agripreneurs for all major dimensions, namely, institutional factors, psychological factors, cognitive factors, managerial factors, sociological factors, and economical factors, which are contributing significantly to the creation/shaping of entrepreneurial climate as they have shown significant results on the distribution of central tendency (mean was > 2.5). From Table 1, it can be interpreted that all the major dimensions have been significantly contributing/shaping to entrepreneurial climate. The overall mean score of managerial factors is highest that depicts that the major factors for creating or shaping entrepreneurial climate are managerial factors (2.83) followed by sociological factors with a total mean score of 2.34. It was found that the majority of the factors namely Institutional, Psychological, Cognitive, Sociological, Economical, and Managerial were contributing significantly for creating/shaping the entrepreneurial climate. Among these major factors, Managerial factors were contributing most prominently with the highest total mean score of 2.83. The Agripreneur's basic managerial skills were the most prominent contribution as compared to sub-dimensions. The agripreneurs' basic managerial skills that contributed significantly were "unethical practices to get the work done from workers" (75%) and "scientific and rational in labor-management for an agrienterprise" (50%). It was followed by the "Good relation with the international agripreneurs" (77%) contributing significantly from among the business network. Among the marketability factors as "supply of product on time was depending upon the credibility and profitability of respondents". Among the sociological factors, most prominent contribution was from among the social factors (nearly 80%) as the respondents had recognized to be socially for

Table 1. Dimensions of entrepreneurial climate perceived by the respondents

Major factors	1. Institutional (Mean)	2. Psychological (Mean)	3. Cognitive (Mean)	4.Sociological (Mean)	5.Economical (Mean)	6. Managerial (Mean)
Sub-dimensions	A. Governmental factors (2.90) B. Administrative policy-related factors (1.86) C. Infrastructure-Related Factors (1.85) D. Regulatory legal/Bureaucratic factor (1.64)	A. Psycho-behaviour Factors (2.62) B. Intention for entrepreneurship (2.41) C. Strategic orientation (1.98) D. Perception of desirability (1.29) E. Perception of viability (1.91) F. Entrepreneurial orientation (2.78)	A. Level of knowledge (2.37) B. Human Resource Development (1.38) C. Educational Factors (2.41)	A. Social factors (2.44) B. Family, relatives, and friends (2.50) C. Religious Factors (2.63) D. Cultural factors(2.13) E. Social acceptance-related factors (1.50)	A. Marketability factors (2.43) B. Financial Factors (1.89) C. Ease of Doing business (2.72)	A. Agripreneur's basic managerial skills (3.01) B. Business network (2.81) C. Competitiveness (2.35)
Total Mean	2.25	2.23	1.95	2.34	2.27	2.83

their agrienterprise development followed by “Agrienterprise set by ancestral required less effort” and “Development of agroproduct as per need of festival”. Among the cognitive factors majority of the factors were not contributing much to the creation/shaping of entrepreneurial climate as the respondents have not shown much significant score on central tendency (mean score is less than 2.5). The most prominent contribution was from among level of knowledge, nearly 50 per cent of the agripreneurs were using their knowledge for the establishment of agrienterprise as well as production of agro-product based on their local people’s needs followed by the Educational Factors (nearly 45%) as the respondents were updated by the current scenario of secondary agriculture through various events of Seminar/Conference/Chaupal/Exhibition/Krishi Melas. Among psychological factors; majority of the factors contributing significantly to the creation/shaping of entrepreneurial climate as they have shown significant results on the distribution of central tendency (mean is greater than 2.5). Among the subdimensions, the most prominent contribution was seen in Entrepreneurial Orientation and Psycho-behavior Factors as both were strongly contributing (nearly 70%) to the best distribution on a mean score greater than 2.5. Among the Entrepreneurial Orientation “calculated risk for agrienterprise to get expected outcome” and “adoption of novel technology for enhancing the efficiency of agrienterprise” with nearly 70 per cent contribution. Perception of desirability had the lowest score on the mean as the respondents reported that they do not desire agripreneurship much compare to another profession (only 20%).

Among the sub-dimensions of institutional factors, governmental factors were strongly helping the creation/shaping entrepreneurial climate (mean score greater than 2.5) and among the governmental factors the items “Institutions provide help in expansion of agrienterprise” and “Provision of information about agro-processing is not adequate” (nearly 90%) were much significant in shaping/creation of entrepreneurial climate. The factor which was significantly contributing negatively to shaping/creation of the entrepreneurial climate was Regulatory legal/Bureaucratic factors i.e., “GST and its payment are not easy” (nearly 35%). The

Table 2. Correlation analysis between entrepreneurial climate and some selected socio-personal, socio-psychological variables, and entrepreneurial variables

S.No.	Socio-personal and socio-psychological characteristics	Correlation coefficients
1.	Age	-0.150
2.	Education status	0.032
3.	Entrepreneurial experience	-0.256**
4.	Work commitment	0.394**
5.	Social Norms	0.461**
6.	Social Capital	-0.139
7.	Contact with communication channels	0.257**
8.	Risk-taking	.262**
9.	Hope of success	.254**
10.	Persistence	.172
11.	Use of feedback	.248**
12.	Self-confidence	.227*
13.	Knowledgeability	-.179
14.	Persuability	.215*
15.	Manageability	.267*
16.	Innovativeness	.250**
17.	Achievement motivation	.186

**significant at 0.01 level of probability

lowest on the mean score was “Excess bureaucratic procedure while registration of agrienterprises disturbed” (1.35). The similar method of categorization of factors influencing/shaping entrepreneurial climate were found in the study of Gills (2015); Shruti (2018); Verma (2020). The skills in social processes of group management and enterprise management are mostly lacking among the farmers which can be enhanced through entrepreneurial and technical trainings led to income generating activities (Nain et al., 2019). Further, Nain et al., (2013) advocated that awareness, motivation, technical skill, the right assistance and support from family at extension level and government and other organizational at policy level can strengthen their capacities besides adding to the family income and national productivity.

Table 3. Multiple regression analysis of socio-personal, psychological, and entrepreneurial variables with entrepreneurial climate

S.No.	Independent variables	Unstandardized Coefficients Partial 'b'	t-value	Sig.
1	(Constant)	86.574	2.605	.011
2	Age	.051	.311	.710
3	Educational status	.096	.667	.510
4	Work commitment	-.113	-.984	.347
5	Social norms	-1.010	-1.888*	.049
6	Social capital	4.141E-8	.026	.974
7	Contact with localite channels	2.134	2.793**	.009
8	Contact with cosmopolite channels	1.212	2.822**	.007
9	Contact with mass media	.096	.763	.459
10	Achievement motivation	-2.785	-.979	.337
11	Risk-taking	4.506	2.128*	.038
12	Hope of success	-2.061	-.749	.451
13	Innovativeness	2.333	4.129**	.001

**Significant at 0.05 level of probability; * Significant at 0.05 level of probability
R² =0.623; F Ratio at 12 and 107; degrees of freedom = 4.062**

An exertion has been made to know the possible relation between the perceived dimensions of entrepreneurial climate and socio-personal, socio-psychological, and entrepreneurial variables. Table 2 shows the association between the socio-personal, socio-psychological and entrepreneurial variables with the perceived entrepreneurial climate.

As revealed from Table 2, variables namely, social norms, social capital, entrepreneurial experience, work commitment, contact with communication channels, risk-taking, hope of success, use of feedback, self-confidence, persuasibility, manageability, and innovativeness were found to be positive and significantly associated with the entrepreneurial climate. Other socio-personal variables namely educational status and frequency of use of communication sources were not significantly associated with entrepreneurial climate. However, age, social capital, and knowledgeability were negatively correlated.

The correlation analysis was done in the study, and only twelve independent variables were fitted in the multiple regression equation. It may be seen from Table 3 that all selected variables explained the variation in entrepreneurial climate to the extent of 62.30 per cent. Out of all the selected variables fitted in the multiple regression analysis few variables, namely, work commitment, social norms, social capital, contact with extension cosmopolite channels, achievement motivation, risk-taking, and innovativeness contributed significantly to the prediction of the creation of favorable entrepreneurial climate. It is interesting to note that social norms, social capital, contact with localite channels, contact with cosmopolite channels, risk-taking, and innovativeness were good predictors of the favorable entrepreneurial climate for agripreneurs. Out of twelve variables, few were showing negative relation with entrepreneurial climate namely work commitment, social norms, achievement motivation, and hope of success. The multiple regression analysis to test the hypothesis with correlates of entrepreneurial climate was also done by Hajong (2009); Ramesh (2009); Sinha (2011) and reported similar results.

CONCLUSION

As the government places a stronger focus on agripreneurship, the concept of entrepreneurial climate is gaining importance in India. The attitude of agripreneurs in shaping/influencing the entrepreneurial climate is critical to the success of agrienterprises. A scale was developed to assist researchers, policymakers, and interested persons to use in determining agripreneurs' attitude toward the entrepreneurial climate in certain area and thereby formulating strategies for facilitating agrienterprise development. Most of the dimensions are significantly contributing/shaping entrepreneurial climate and amongst all, major contributor was managerial factors followed by sociological factors. The attributes like work commitment, social norms, social capital, contact with extension cosmopolite channels, achievement motivation, risk-taking, and innovativeness have contributed significantly to the prediction of the creation of favorable entrepreneurial climate. Therefore, future initiatives of entrepreneurial extension service providers may consider these attributes for bringing an improvement in perceived entrepreneurial climate by agripreneurs.

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