



SMALL FARMERS AND THEIR MOTIVATION TOWARDS ENTREPRENEURSHIP FOR LIVELIHOOD.

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Abstract: Motivational factors being important in determining the successes in any form of enterprises, this paper attempts to study the factors that motivates small farmer towards entrepreneurships. The study is based on sample survey of 50 samples. 5-point Likert scale is used to analyze the motivational factors. Being independent and desire to earn income were found to be the most important factors motivating the entrepreneurs. It was found that entrepreneurs were more motivated by internal factors.

Keywords: Motivational factors, Entrepreneurship, Likert scale.

I. INTRODUCTION

The role of small farmers in development and poverty reduction is well recognized (Lipton, 2006). The global experience of growth and poverty reduction shows that GDP growth originating in agriculture is at least twice as effective in reducing poverty as GDP growth originating outside agriculture (WDR, 2008). Small holdings play important role in raising agricultural development and poverty reduction¹.

As per Agriculture Census (2010-11), the total number of operational holdings in India numbered were 138.35 million with an average size of 1.15 hectares. Of the total holdings, 85 per cent are in marginal and small farm categories of less than 2 hectares². Farming has been the major source of livelihood in Wokha Town providing employment to more than 60 % of the total population. In this study the farmers in the study area were all identified as small farmers with less the 2 hectares of land. Their role as supplier of goods to the markets and providers of livelihood is immense. Yet there has been numbers of challenges confronting the small farmers in terms of enterprising. Thus, this paper is an attempt to analyses the factors motivating the small farmers to become entrepreneurs.

¹ Dev. M.(2012): *Small Farmers in India: Challenges and Opportunities*. Available at: www.igidr.ac.in/pdf/publication/WP-2012-014.pdf

²Ministry of Agriculture & Farmers Welfare (2015), *Highlights of Agriculture Census (2010-11)*. Available at: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=132799>

The term, "Motivation" is derived from the Latin word 'movere' meaning "to move". It means to move from present situation to better situation. Berleson and Steiner(1964) define motivation, "as an inner state that energizes, activates, or moves, and that directs or channels behaviors towards goals"³. In the study of entrepreneurship, one recurring area of interest is what motivates individuals to become entrepreneurs. Why do people take financial risks, leave the safe environment of a job to pursue an uncertain future, and make the personal sacrifices required to start and grow a business? Kuratko, Hornsby and Nafziger (1997) argued that to understand the entrepreneurial process one needs to identify the motivation behind entrepreneurs' decisions⁴. Studies conducted on motivational factors confirms the importance of the role of motivational factors in determining the nature and types of enterprises entrepreneurs would choose to take up. The results revealed that there are links between motivator factors and entrepreneurship as well as some ties between entrepreneurship, motivator factors and the antecedents, especially concerning gender, age and family background⁵. Motivation levels of employees has a direct influence on the individual output and further more on the level of output of a team of employees (Roja & Avamvereeikul, 2000; Butler, 1999)⁶

There can be varieties of factors that motivate a person to start an enterprise. These factors are normally divided into personal or internal and environmental or external factors. Motivating factors can be either internal or external to the entrepreneur (Kuratko et al., 1997; Robichaud et. al, 2001)⁷. Personal or internal factors are those factors that are more intrinsic in nature. It includes factors that motivates entrepreneurs from within viz. desire to earn income, self-dependent, desire to be different, spirit of competitiveness, etc. In a study by Yalcin and Kapu (2008) revealed that desire for more income and scarcity of job opportunities were the key motivating factors⁸.

The individual's decision to enterprise can also be affected by many external or environmental factors viz. family background, social recognition, financial supports, government policies, availability of power supply, condition of transportation, technology, political, socio-cultural factors etc. Growth and success of enterprises largely depends on these factors. Motivational factors may differ from person to person, size to size, region to region etc.

Thus, in this study, the factors were divided into internal factors and external factors. Internal factors consisted of factors viz. self-employed /independence, desire to earn income, to be their own boss, desire to do something different, having the right skill, being unemployed, competitive nature, contribution to society, and no other option/ compulsion. While external factors consisted of, encouraged by family, scare job, better

³Olawepo, G.T (2013): The Connectivity Between Motivation And Employees' Performance In Marketing Oriented Organizations In Nigeria, *International Journal of Education and Research*. Available at: <http://www.ijern.com/images/March-2013/22.pdf>

⁴ Zimmerman, A. and Chu, Hung(2013) : *Motivation, Success, and Problems of Entrepreneurs in Venezuela* Available at: http://www.na-businesspress.com/JMPP/ZimmermanMA_Web14_2_.pdf

⁵Choukir, J and Hentati, M. Baccour (2013): *Entrepreneurship Motivation: Tunisian Case*. Available at: (<http://www.scirp.org/journal/ajibm>)

⁶MWaita, S. and Namusonge, G. (2013): *Entrepreneurial Motivation As A Factor Affecting Small and Medium Enterprises Performance in the coffee subsector in Kenya; A Case Study of Tropical Farm Management Kenya Limited*. Available at:<http://dx.doi.org/10.6007/IJARBSS/v3-i12/416>

⁷ Zimmerman, A. and Chu, Hung(2013) : *Motivation, Success, and Problems of Entrepreneurs in Venezuela* http://www.na-businesspress.com/JMPP/ZimmermanMA_Web14_2_.pdf

⁸Munyororo, G. (2016) : *The Motives of Zimbabwean Entrepreneurs: A Case Study of Harare* available at: <https://www.researchgate.net/publication/303703022>

transportation, high demand, better location, market accessibility, encouraged by friends, social respect, family business, dissatisfaction of job.

II.OBJECTIVE:

1. To study the socio-economic profile of the entrepreneurs.
2. To study the factors that motivates small farmers towards entrepreneurship.

III.RESEARCH METHODOLOGY:

The study was based on sample size of 50 of small farmers which were randomly selected from Wokha Town. The data was collected through questionnaire method. Likert five-point scale was used to analyses the motivational factors.

IV.RESULT AND DISCUSSION

Socio-economic profile

Table: 1 Distribution by gender

Sex	No. of respondent	Percentage
Male	5	10
Female	45	90

In the above Table 1, shows that about 90% of the respondents were females while male constitute to only 10% of the total respondent. Majority of the small farmers undertaking agro based enterprises were found to be females in the study area.

Table: 2 Distribution by Age

Age	No. of respondent	Percentage
25 below	0	0
25 – 30	3	6
31 – 40	15	30
40 above	32	64

In the above data shown in Table 2, Majority of the entrepreneurs were found to be above 40 years of age (64%) while 30% were between 31-40 and 6% were between the age group 25-30. It is a clear indication that majority of the respondent are in their middle age of their life.

Table: 3 Distribution by Marital Status

Married	No. of respondent	Percentage
Yes	46	92
No	4	8

The Table 3, shows that, 92% of the respondents were married while only 8% were found to be unmarried.

Table: 4 Distribution by Education

Education	No. of respondent	Percentage
10 and below	5	10
10+2	1	2
Graduate and above	0	0
Uneducated	44	88

The Table 4, above shows that, majority of the respondents were found to be uneducated which consisted of 88% of the respondent. About 10% were found to be 10 and below, 2% were 10+2 while none had graduate degree or above. It is clear from this that, small agro-enterprises are still a business of the uneducated.

Table :5 Distribution by Average Monthly income

Average monthly Income	No. of respondent	Percentage
5000 and below	5	10
5001 – 10000	40	80
10001 – 15000	5	10
15000 and above	0	0

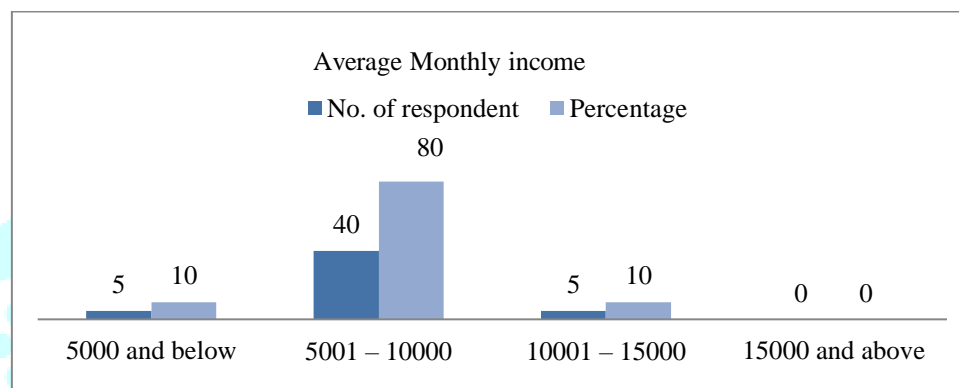


Fig.1 Average monthly Income.

Table 5 and Figure 1 shows the average monthly income of the respondents. 80% were between the average monthly incomes of 5001-10000, 10% were earning 5000 or below and between 10001–15000. While there were none above 15000.

Table: 6 Factors motivating towards entrepreneurship

INTERNAL FACTORS	MEAN RANKS	EXTERNAL FACTORS	MEAN RANKS		
Self employed /Independence	4.50	1	My family encouraged	3.5	1
Desire to earn Income	4.28	2	There was scarcity of job	3.34	2
I want to be my own boss	4.06	3	Better transportation encouraged me	3.26	3
I wanted to do different	3.94	4	High demand encouraged me	3.22	4
I had the skill	3.88	5	Better location encouraged me	3.14	5
I was unemployed	3.78	6	Market was easily accessibility	3.11	6
I have competitive nature	3.56	7	My friends encouraged me	3.08	7
I wanted to contribute to society	3.24	8	Wanted to be respected in society	2.96	8
I did not have option	3.00	9	I wanted to carry on family business	2.54	9
			I was dissatisfied with previous job	2.40	10
Average of the Mean Value	3.80		Average of the Mean Value	2.99	

In the above table, the motivational factors are divided into Internal and External factors. Among the internal factors consist, 'self-employment/independence' is ranked first (1st) with 4.50 mean value, closely behind is

'desire to earn income' is ranked second (2nd) with 4.28 mean value while 'I want to be my own boss' and 'I wanted to do different' are ranked third (3rd) and fourth (4th) with 4.06 and 3.94 mean value. On the other hand, 'My family encouraged' is found to be the most important external factor motivation entrepreneurs ranked first (1st) with 3.50 as mean value. 'There was scarcity of job' is ranked second (2nd) with 3.34 as mean value. 'High demand' and 'better transportation' were other important external motivational factors.

The average of the mean value internal factors is found to be 3.80 while average of the external factor is found to be 2.99. Thus, this confirms that entrepreneurs are motivated more by internal factors than external factors.

V.FINDINGS AND CONCLUSION

Thus, in conclusion, in this study of motivational factors, it was found that majority of the respondent were female (90%) and majority were in the age group of above 40 (64%). It indicates that farm-based/agro-enterprises are mostly undertaken by females in the study area. 92% of the respondents were married while only 8% were found to be unmarried. Majority of the respondents were found to be uneducated which consisted of 88% of the respondent. It is clear from this that, small agro enterprises are still a business of the uneducated.

The respondents were motivated more to be self-employed and to earn income. These findings were in consistent with other researches. The motivation to be one's own boss and to increase one's income is common among entrepreneurs operating in developing nations (Chu et al., 2007)⁹.

The data also revealed that being unemployed and scarce of job were important compelling factors pushing them from within to start an enterprise. This also means that they are more survival oriented in their entrepreneurial approach.

The respondents were also found to be more internally motivated rather than externally. This indicates that the respondents take individual responsibility for their success, which is very vital for success in any enterprise. Nevertheless, it cannot be denied that support from family will be an important factor for starting up a new venture as seen from the data above. Adding to that, it was found that better transportation, easy market access and better location were other important external motivation factors. Therefore, providing better infrastructure in the form of better road, connectivity, building marketing-shed, proper micro-finances and support from family and society can be a vital impetus for the growth of these small farmers towards entrepreneurship.

⁹Zimmerman, A. and Chu, Hung(2013) : *Motivation, Success, and Problems of Entrepreneurs in Venezuela*
Available at: http://www.na-businesspress.com/JMPP/ZimmermanMA_Web14_2_.pdf

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