

Challenges and Opportunities of Agripreneurship Management in Bihar

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Abstract

Agripreneurship management is a category of management services targeted at individuals, farmers and agripreneurs who lack access to conventional agripreneurship and related services. Agripreneurship management includes management of agriculture and agricultural products, microcredit, the provision of small loans to poor clients; savings and checking accounts; micro insurance; and payment systems. The goal of agripreneurship is to ultimately give impoverished people an opportunity to become self-sufficient. The present study focuses on Sitamarhi District of Bihar in particular and Bihar state in general. The region is industrially very progressive. Most of the people engaged themselves in agriculture while some of them engaged in trading of grains or are self-employed in micro enterprises categorized as small shop keeper, person running their own little kiosk or cart-ride etc. These people take indicatives for agripreneurship development to fulfil their day to day needs. The proposed research work is an effort to understand how agripreneurship management /development techniques and institutions are helping in generation of employment in the target region.

Key words: *Agripreneurship Management, Better Livelihood, Bihar, Entrepreneurial Education, Rural Industrialisation.*

Introduction

Agriculture is the science and art of cultivating plants and livestock. Agriculture was the key development in rise of sedentary human civilization. Agriculture is the most important sector of Indian Economy. Indian agriculture sector accounts for 18 per cent of India's gross domestic product (GDP) .Agriculture is the primary source of livelihood for about 50 to 58 per cent of India's population.

Bihar is one of the strongest agricultural states. The percentage of population employed in agricultural production in Bihar is around 80 per cent, which is much higher than the national average. It is the fourth largest producer of vegetables & the eight largest producer of fruits in India. Food processing, dairy, sugar, manufacturing are some of the fast growing industries in

the state. Total horticulture production in the state for 2017-18 was 18,881.16 thousand MT with 1.176.68 thousand hectares of area under production. State produced 7,296.4 thousand MT of rice and 340.9 thousand MT of pulses in 2017-18*. In 2017-18(P), Bihar produced 16.51 million tons of sugarcane.

The economy of Bihar has witnessed structural transformation in the last one and half decades. Agricultural sector occupies a prominent place in the structural changes of the economy with a significant contribution to the state's income and rural employment. For accelerating agricultural growth, the government of Bihar has introduced various policy initiatives at different points in time. These initiatives are being implemented under different phases of what is called agriculture roadmaps. While these policy initiatives seem to have helped in accelerating Bihar's agricultural growth from 2.0 per cent per annum during the period 2000-01 to 2007-08 to 3.1 per annum during the period 2008-09 to 2011-12, agricultural growth decelerated to 1.3 per cent during the subsequent period of five years (2012-13 to 2016-17).

Investigation suggests that the agricultural sector is comparably more effective in reducing poverty as any other sector. Food prices reduce for poor people by increased crop productivity resultant decreased poverty.

Agri-entrepreneurship in common language can be defined as sustainable, community-oriented, directly-marketed agriculture. Sustainable agriculture refers a system oriented approach to farming that put emphasis on the interrelationships of social, economic, and environmental processes. It is the beneficial combination of agriculture and entrepreneurship and convert your farm into an agribusiness. This association of agriculture and business promotes agripreneurs who innovate, identify markets, and satisfy needs by developing different ways to growing the business along with leadership and managerial skills necessary for achieving those goals.

Majority of rural population primarily depends on agriculture and allied activities for their livelihood in India. India is the second largest producer of agricultural commodities in the world and enjoys first rank in the pulses, fruits and dairy products. Demand on agricultural and allied products has been rapidly increasing day by day because of increasing population. Hence to fulfil the demand, agriculture is taking new shape. Mostly rural population in India are unskilled and illiterate due to which they cannot easily fit in employment market of private sector in urban areas, hence they all are dependent on agriculture enterprises for living. Agricultural entrepreneurship helps in shaping the agricultural activities in to new business as well as helps in making new strategy to help rural people to enjoy the benefits of economic

growth. It is not only helpful to fulfilling needs of rural people but also bring down migration of rural people to urban areas for employment, make them self-sufficient, provide better quality of nutritious food locally, and decrease dependency of rural people on urban areas for better living.

Agripreneurship-A Prospective Field

An Agripreneur is someone who undertakes a variety of activities in agriculture and its allied sectors with an entrepreneurial spirit (**Tripathi and Agarwal 2012**). Agriculture has several areas of entrepreneurship which include the activities like, dairying, sericulture, goat rearing, rabbit rearing, floriculture, fisheries, shrimp farming, sheep rearing, vegetable cultivation, nursery farming, farm forestry etc.

In spite of various efforts to upgrade agri-preneurship in rural areas, agripreneurs are very less in number due to several challenges. Some of the highest challenging factors are lack of technical know-how, lack of institutional support, lack of government and bank support, risk and marketing issues, lack of extension services, inadequate market knowledge, high cost, less government subsidies and policies, lack of better infrastructure facilities, inadequate management knowledge etc. These all are some constraints and barriers being faced by agripreneurs and are causing hindrance in the growth and development of agri-preneurship. These Agripreneurs deal with lot of problems like in marketing of agricultural products, finance, human resource management, production etc.

On the other hand, they have very huge potential to grab. This potential will not only help in increasing employment but also transform the agriculture in new ways. In the nutshell, if India has to grow, more youth have to be motivated towards Agripreneurship. Agripreneurship is not only an opportunity but also a necessity for improving the production and profitability in agriculture and allied sectors.

An agripreneur refers to a person who engages in different kinds of activities related to agriculture and allied sectors. Agripreneur is an “entrepreneur whose main business is agriculture or agriculture-related” (**Dabson and Markley, 2010**). Agripreneur is an individual “who runs an agricultural business – farming in particular at his or her own risk” (**Macher, 1999**). Similarly, an agripreneur can be defined as “a business owner who is self-employed and seeks to create wealth within the agricultural industry” (**Aleke, Ojiako & Wainwright, 2011**). Agripreneurs recognize business opportunities in the agricultural industry and transform them into viable ventures (**Nagalakshmi & Sudhakar, 2013**).

Agripreneurship as a concept which is specific to agriculture and drawn from wider entrepreneurship. Agripreneurship has prospective and potential for the social and economic

development of the country. Its contribution takes the form of employment creation and economic growth, diversified income and poverty reduction in rural areas, improvement in nutrition, health and overall food security. Agripreneurship encompasses the transformation of an idea or vision into a "new business or new venture creation, or the expansion of an existing business, by an individual, a team of individuals or an established business". Sudharani defined agripreneurship as "generally, sustainable, community-oriented, directly-marketed agriculture. Sustainable agriculture denotes a holistic, system-oriented approach to farming that focuses on the interrelationships of social, economic, and environmental process". **(Nagalakshmi and Sudhakar 2013)**. According to **Macher (1999)**, agripreneurship is a "profitable marriage of agriculture and entrepreneurship – more plainly, turning your farm into a business". In the same way, **Mukembo and Edwards (2015)** defined agripreneurship as "the application of entrepreneurial principles to identify, develop and manage viable agricultural enterprises/projects optimally and sustainably for profit and improved livelihoods".

Agriculture is an integral part of the economy of India. India is responsible for managing 17.5 per cent of the world's people on 2.4 per cent of its territory. At the time of independence, agriculture generated more than 50 per cent of the nation's income, and more than 70 per cent of the entire population relied on it **(Pandey, 2013)**. Agriculture and associated sectors are regarded as the backbone of the Indian economy because they provide a significant amount of raw materials to industry and generate significant demand for a wide range of industrial goods, including fertilizers, pesticides, agricultural implements, and a wide range of consumer goods **(Bairwa et al., 2014)**. The alternatives available to farmers and nations for surviving and successfully transforming their various economic conditions have become increasingly crucial as a result of the changing socio, economic, political, environmental, and cultural factors around the world. It is also important to note that the development of free market economies has led to the birth of a new entrepreneurial spirit called "Agripreneurship" and an increased demand for individuals to take advantage of managing their own enterprises **(Alex, 2011)**.

Agripreneurship is related to the discovery of methods and means to establish and grow a lucrative farm enterprise. Entrepreneurship and agripreneurship are concepts that are widely used in the context of agriculture and small business formation. **Dollinger (2003)** defines Agriculture entrepreneurship is defined as the development of an innovative economic entity with the aim of profit or expansion in the face of risk and uncertainty. **Gray (2002)** on the other hand defines an entrepreneur as an individual who manages a business with the intention of expanding the business and with the leadership and managerial skills necessary for achieving those goals. Agriculture needs entrepreneurship to be more productive and profitable in light of the rising unemployment and poverty in rural regions and the slow progress of agriculture.

The Agripreneurship Program is essential for creating business owners and managerial expertise to serve the global agricultural industry (**Bairwa et al., 2014**). The economy, education, and culture are the primary factors that strongly influence agripreneurship (**Singh, 2013**).

Thus, agripreneurship may be defined as "entrepreneur whose main business is agriculture or agriculture-related agripreneurship is the entrepreneurial process taken up in agriculture or the allied sectors. It is the process of adopting new methods, processes, techniques in agriculture or the allied sectors of agriculture, for better output and economic earnings.

Agripreneurship converts agricultural activity into an entrepreneurial activity. By adopting innovative ideas in agriculture and allied sectors an agripreneurs who is an innovator, drives the changes in rural economy. An agripreneurs job is never easy as he takes risk, adopts innovation, creates new ways of doing things and taps new markets and marketing opportunities.

Statement of the Research Problem

The introduction of new economic reforms and the liberalisation, privatisation, and globalisation (LPG) policies contributed to the belief that rural regions have to develop on par with urban areas. The development of rural areas is possible through the development of agriculture. On the one hand, agriculture remain a driving force in the nation after independence but the contribution of agriculture were gradually declined due to the changing socioeconomic, political and cultural factors. On the other hand, the expansion of waste land, the depletion of natural resources, the increasing migration of rural youth to urban areas, and youth negative perceptions and attitudes toward agriculture and emerging agricultural technologies have necessitated a redesign of agricultural activities. To increase agriculture's productivity and profitability, as well as to address rural poverty and unemployment there is an urgent need for agripreneurship. Agripreneurship is crucial for the development of agricultural entrepreneurs.

Agripreneurship should be meticulous, tenacious, imaginative, diligent, come up with ideas, communicative, and have organisational abilities. The economy, education, and culture of India all have a significant impact on agripreneurship. In the current environment, the scope of agribusiness has expanded. In the 1980s, agriculture at the national level performed well in terms of growth, and its slowdown in the 1990s was attributed to stagnant public spending on agricultural infrastructure, ineffective extension services, and unfavourable economic reforms. The Indian economy is an agrarian one, with agriculture serving as the foundation of the national economy. Agriculture has been performed in India from ancient times, when other

sectors were non-existent and agriculture was only done for survival. India is third in the world for food production. An estimated \$35 billion is spent on fresh produce in India. Processed food, dairy products, canned goods, flavoured beverages, food grains, and frozen goods. The Planning Commission has established a 4% growth target for the agricultural sector during the Eleventh Five Year Plan, or 2008–2013. The commercial importance of the agriculture industry has grown, and it is now a significant contributor to the GDP of the country. Agriculture has grown thanks in part to public-private partnerships and farmer organisations.

Earlier farmers were unwilling to engage in agricultural activities through the adoption of scientific and effective agricultural management techniques. As a result, they are unable to cope with the delayed monsoons, drought, agricultural debts, and fertilizer scarcity hence they commit suicide. Thus, depressed farmers become agripreneurs when entrepreneurial abilities such as management, technical, and inventive thinking are applied to farming. Agripreneurship has the ability to contribute to social and economic development by creating jobs, reducing poverty, and improving nutrition, health, and food security in the national economy, especially in rural regions. Agripreneurship is critical for reducing unemployment and poverty while simultaneously increasing agricultural production and profitability. Entrepreneurship in agriculture (Agripreneurship) is viewed as a panacea for resolving agriculture's increased burden, providing employment opportunities for rural youth, reducing migration from rural to urban areas, increasing national income, and promoting rural industry development. It also helps alleviate increased pressure on urban areas. Against this background, the present study attempts to identify the challenges and opportunities of agripreneurship management in Bihar in general and Sitamarhi district in particular.

Objectives of the Study

The study is based on the following objectives:

1. To measure the opportunities or effectiveness of agripreneurship management in generation of self-employment opportunities.
2. To make a comparative study of the government based, NGO, and personal based agripreneurship management programmes in generation of self-employment.
3. To examine the trends and patterns of agripreneurship management models in Bihar vis-à-vis Sitamarhi District.

4. To study the challenges or problems in implementation of agripreneurship management schemes in Sitamarhi District of Bihar and suggest remedial measures.

Importance of the Study

Agriculture is the main sector of the Indian economy. In rural India, more than 71% of the population resides. Since the country's liberalisation in 1991, a brand-new idea known as rural entrepreneurship has evolved in an effort to increase self-employment and lower poverty levels. In India, the idea of an entrepreneurial endeavour is outdated. In the current environment, education on management and entrepreneurial skills has become essential. Farmers' abilities can be improved through education that takes place in the field and through practise. Development is a stage that takes time to mature and contribute to a shift in perspective. Education is essentially the sharing of knowledge and information to help people recognise the obstacles facing the agricultural industry. The current challenges that a farmer faces in the production of agricultural goods can be overcome through entrepreneurship. They are a component of a huge group of individuals that also includes other farmers, suppliers, traders, transporters, and processors, each of whom has a specific function to perform along the value chain. Farmers need to have an entrepreneurial spirit in order to manage the risks they will encounter in the complicated marketplace they compete in. Any country's economic growth is largely reliant on the crucial role that entrepreneurs play in society. Such entrepreneurs play a crucial role in society because they may create a wealth of chances by utilising new technologies to take advantage of the resources that are already accessible.

Entrepreneurs has the potential to make impossible possible. The Agri-sector in India is in a stage where the losses are very high due to improper management and policy formulation. The technology and techniques used by Indian farmers are totally outdated and only in few places new technologies are being used. This study is to understand how agripreneurs can help these farmers by bringing in funds and new technologies for better produce and sustainable techniques for other activities like warehousing, formal credit system, marketing of the agricultural produce for better price in market and developing economic status of the farmers and help in transportation of the produce from one place to other and preventing the wastage. When government fail to do something, the society can do it for themselves as government can help financially and with facilities but if the final user doesn't avail it properly then its actually a waste of resources. Agri-entrepreneurs look for opportunities everywhere which make them more efficient which in turn has a great impact in the agricultural sector.

Agripreneurship is needed to make agriculture a more appealing and viable business endeavour in the future. It is undeniable that there is tremendous potential for entrepreneurship in agriculture, and that this potentiality can only be realized through proper management of agro factors such as soil, seed, water, and market requirements. An individual with the risk-taking ability and a desire to learn the newest information in the agricultural business might prove to be a successful agripreneurs in the long run. It is estimated that the agricultural sector has considerable potential to contribute to national revenue by providing direct employment and income to the poor sections of the nation. However, when it comes to increasing output and profitability in the agricultural and allied sectors, agribusiness is not only an opportunity but also a necessary component of success.

Entrepreneurship is a topic that is currently receiving a lot of academic, practical, and political attention, according to **Gerard Mcelwee (2011)**. More entrepreneurial emphasis in rural areas has been touted as a potential solution to the rising challenges in Europe's agriculture, which has been under intense pressure for restructuring. "Conducted a study on banana producers in Bangalore district of Karnataka State," **Kumar (2011)** "revealed that most (54.0%) of the banana growers sold their goods to the customers through middleman, while (22.33%) of them sold to wholesalers."

It is well known that the situation of agripreneurship management in India has been uprooted since decades. Integrated and speedy development of the country is only possible when competitive and reliable agripreneurship management institution services are reached and operated to every corner of the country. Agripreneurship management have vital roles in the process of economic development. Management and financial performance, especially of agripreneurship management institutions has long term impact not only on their growth and sustainability but also on the economic development of the country. The study in this regard is necessary so that properly mentoring can be kept on the impact of agripreneurship management on the generation of opportunities through agripreneurship and for economic development of India. Apart from that, this study would also focus on the various challenges faced by the agripreneurship management user in taking the advantage of agripreneurship management scheme and the opportunities that they avail from the government and non-government micro-finance scheme. The study can also aware the prime objective of people to participate on the agripreneurship management program is to get access to management tools so that they could start micro-business and create better agribusiness or agripreneurship for themselves. One of the major objectives for agripreneurship management program is to create better agripreneurship management at local level. In the developing countries a better agripreneurship management is always play the vital role in employment generation and for wealth creation?

Hypothesis of the Study

Null Hypothesis of the study are framed as follow:

H₀₁ There is no proper impact or opportunities of agripreneurship management in Sitamarhi region.

H₀₂ There is no significant role of agripreneurship management programmes in creation of self-employment.

H₀₃ Agripreneurship Management in Bihar is not a challenging task.

Research Methodology

A brief description of the Research Methodology for the study is as under:

❖ Data Collection:

Both the primary and secondary data have been collected for this study:

- ✓ Primary data: The data have been collected through structured questionnaires and interviews specifically designed to achieve the objectives of the study.
- ✓ Secondary data: The secondary data and information have been collected from the concerned sources and online database as per need of the research. The relevant books, the documents of various Government and non-government Institutions, articles, newspapers, research papers, websites and reports have also been used in this study.

❖ Area of Study:

The study has been conducted within the region of Sitamarhi District of Bihar only. The population of this study comprised agripreneurship management services beneficiaries of Sitamarhi District of Bihar. In 2011, Sitamarhi District of Bihar has a total population of 3,423,574. Various Blocks of Sitamarhi District have been covered under this study.

❖ Sampling Technique:

Convenience sampling has been used for this study to target the targeted sample size.

Data Analysis**❖ Nature of Research:**

The study is descriptive and analytical in nature. The study is based on mixed methodology by using quantitative and qualitative techniques which have been adopted at different stages as per the requirement of study.

❖ Processing of Data:

The collected data have further been processed through classification, tabulation, and summarization of the data as per the requirement of the study. The processed data have been used to apply statistical tools and techniques to extract the results.

❖ Techniques for hypothesis testing:

For testing the hypothesis, various techniques have been used as regression, correlation, ANOVA etc. as per the requirement of the study.

Plan of Work

The study has been presented in altogether following seven chapters:

Chapter 1: Introduction

The first chapter is introduction to the study. It covers the details about background of the study; significance of study; scope of the study; statement of the problem; objective of the study, research hypothesis; limitation of the research; research methodology; selection of study area; research design; sampling design; data collection; statistical tools use followed by plan of work.

Chapter 2: Review of Literature

This chapter has been devoted to present the studies related to impact of agripreneurship in employment generation, poverty-alleviation, income-inequality and upliftment in standard of living, social and economic development.

Chapter 3: Agripreneurship Management: Conceptual Clarity

This chapter has been devoted to present the history of agripreneurship in India, role and importance of agripreneurship, various models of agripreneurship, agripreneurship management/development institutions and schemes provided by them, various government plans and policies regarding agripreneurship.

Agriculture and allied sectors are regarded as the backbone of the Indian economy contributing to the economic development of the country in terms of supplying raw materials, and generating demand for a wide range of industrial products such as fertilizers, insecticides,

agricultural tools, and a wide range of consumer goods. On the other hand, agriculture is facing many problems like the increasing migration of rural youth to urban areas, and their negative perceptions and attitudes toward agriculture have necessitated a redesign of agricultural activities. Therefore a shift from agriculture to agripreneurship is a necessary step in redesigning agriculture and making it more appealing and profitable. Moreover, agripreneurship has the ability to contribute to a variety of goals such as job creation, income generation, poverty alleviation, and improvements in nutrition, health, and overall food security of the nation. The present chapter has been devoted to discuss conceptual aspects of agripreneurship management.

Chapter 4: Opportunity before Agripreneurship Management in Bihar

Agripreneurship is defined as generally sustainable, community-oriented, directly marketed agriculture. Agricultural entrepreneurs are persons who engage in agricultural activities such as growing and selling crops, fertilizer, and other agricultural inputs. They are driven to increase farm productivity via automation, irrigation, and the deployment of dry land agriculture technology. They include a wide range of agricultural activities and their associated occupations. This chapter been devoted to focus on opportunities through agripreneurship management in Bihar and Sitamarhi in particular.

Chapter 5: Impact of Agripreneurship on Self Employment Generation in Sitamarhi, Bihar

This chapter is analytical in nature and the impact of agripreneurship on self-employment generation in Sitamarhi has been studied.

Chapter 6: Problems and Prospects of Agripreneurship in Sitamarhi

The problems and prospects of agripreneurship activities to generate self-employment in Sitamarhi have been studied in this chapter.

Chapter 7: Findings and Suggestions

This chapter present, summary of the work and a number of valuable suggestions have been put forth which may prove beneficial for the stakeholders.

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