

Entrepreneurial Behaviour of Milk Processors

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ABSTRACT

In the present scenario, entrepreneurship development in dairy and food sector is a key driver for promoting and sustaining the momentum of growth and providing employment. Hence, the study was conducted in Karnal district of Haryana to analyse the entrepreneurial behaviour of milk processors. A list of registered milk processors was obtained from the Nagar-Nigam, Karnal. There were 41 registered milk processors and all the milk processors were interviewed for the study as respondents. This study revealed that highest (84.87%) Entrepreneurial Behaviour Index (EBI) found in achievement motivation followed by planning ability, risk orientation, coordinating ability, cosmopolitanism, innovativeness, self-confidence and decision making ability. The lowest (49.65%) EBI recorded in case of information seeking behaviour. The EBI for overall entrepreneurial behaviour was found 77.51 per cent. The highest index in case of achievement motivation showed that the respondents get motivated by their achievement in the sector of milk processing. The highest scored entrepreneurial characteristics may play a lead role to motivate the persons to adopt new technologies related to dairy profession and low scored characteristics must be focused in order to make them successful entrepreneurs. The profile traits of the respondents had positive and significant relationship with entrepreneurial behaviour of the respondents.

Key words: Entrepreneurship; Entrepreneurial Behaviour; Entrepreneurial Behaviour Index; Milk Processors;

Entrepreneurs are the key persons of any country for promoting economic growth and technological change. The development of entrepreneurship is directly related to the socio-economic development of the society. In India, after independence and onwards, the government decided to pursue the path of state sponsored and planned economic development. This does not mean that individual or group enterprise and initiative did not have any role to play; but these will be assisted, guided and regulated by the state in various ways, so that their activities can come to some results in the form of economic transformation along the lines considered appropriate and desirable by the state. The idea behind this was that the persons who have no financial resources or managerial background could be induced to take small-scale industries and thus, small industries could be effective tools for widening the entrepreneurial base in the country. It may, in this background, be that the

government introduced the comprehensive assistance programme for small-scale industries.

In the present era, it is being realized that entrepreneurship contributes to development of a country in several ways, viz. assembling and harnessing the various inputs, bearing the risks, innovating and imitating the techniques of production to reduce the cost and increase its quality and quantity, expanding the horizons of the market, and coordinating and managing the manufacturing unit at various levels. In fact, the rapid economic development of a country crucially depends upon the number of abilities of entrepreneurs. Entrepreneurs have been considered as instrument in initiating and sustaining socio-economic development. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries which have lesser percentage of them in the

society. Entrepreneurs perceive new opportunities and seize them with super normal will power and energy, essential to overcome the resistance that social environment offers.

In the present scenario, entrepreneurship development in dairy and food sector is a key driver for promoting and sustaining the momentum of growth and providing employment to urban and rural youth. Hence, present study conducted with the objective to analyse the entrepreneurial behaviour of milk processors.

METHODOLOGY

Present study was conducted purposively in Karnal district of Haryana for its importance in milk production and processing due to presence of NDRI. The list of milk processors was obtained from the Nagar-Nigam, Karnal. There were 41 registered milk processors and all the milk processors were interviewed for the study as respondents. Entrepreneurial behaviour of the milk processors was studied and assessed by using Entrepreneurial Behavioural Scale (*Chaudhari, 2006*) comprised of nine components viz, innovativeness, achievement motivation, decision making ability, risk orientation, coordinating ability, planning ability, information seeking behaviour, cosmopolitanism and self-confidence. Milk processor's profile on these nine components were analysed as well as their overall entrepreneurial behaviour was also analysed by pooling the scores obtained on nine components of entrepreneurial behaviour.

RESULTS AND DISCUSSION

Components of entrepreneurial behaviour of milk processors : Detailed data collected on profile parameters of entrepreneurial behaviour. The profile of the milk processors on entrepreneurial characteristics were discussed below:

Innovativeness: Table 1 clearly showed that majority (68.29%) of the respondents had medium level of innovativeness followed by 21.95 per cent of respondents belonged to low level of innovativeness. It was interesting to note that only 7.31 per cent of respondents belonged to high level of innovativeness category. The majority of respondents had medium to high level of innovativeness might be due to presence of NDRI in Karnal. Also majority of them were middle aged and had middle level of formal schooling. Similar findings were

Table 1. Distribution of respondents according to dimensions of entrepreneurial behaviour

Dimensions	Category	No.	%
Innovativeness	Low (< 7.07)	09	21.95
	Medium (7.07- 9.07)	28	68.29
	High (> 9.07)	03	07.31
Achievement motivation	Low (<7.76)	05	12.19
	Medium(7.65-9.33)	32	78.04
	High (>9.33)	04	09.75
Decision making ability	Poor (<9.03)	10	24.39
	Moderate(9.03-11.99)	19	46.34
	Good (>11.99)	12	29.26
Risk orientation	Low (<8.79)	04	09.75
	Medium(8.79-11.01)	32	78.04
	High (>11.01)	05	12.19
Co-ordinating ability	Poor (<6.49)	10	24.39
	Moderate (6.49-9.79)	15	36.58
	High (>9.79)	16	39.02
Planning ability	Poor (<7.06)	11	26.82
	Moderate (7.06-9.82)	16	39.02
	Good (>9.82)	14	34.14
Information seeking behaviour	Low (<11.42)	08	19.51
	Medium (11.42-16.38)	29	70.73
	High (>16.38)	04	09.76
Cosmopolitanism	Low (<8.25)	09	21.95
	Medium (8.25-11.15)	27	65.85
	High (>11.15)	05	12.19
Self confidence	Low (<3.53)	09	21.95
	Medium (3.53-5.83)	19	46.34
	High (>5.83)	13	31.70

reported by *Reddy (1997)* and *Bhagyalaxmi et al. (2003)*.

Achievement motivation : The result on this parameter revealed that majority (78.04%) of the respondents had medium level of achievement motivation followed by 12.19 per cent of milk processors had low level of achievement motivation. Only 9.75 per cent of respondents had high level of achievement motivation. Very less number of respondents had high level of achievement motivation might be due to majority of them were middle aged and low social participation. These findings are in line with the findings of *Chandrapaul (1998)*, *Vijaykumar (2001)*, *Suresh (2004)* and encouraging than *Chaudhari (2006)*.

Decision making ability : It is evident from Table 1 that majority (46.34%) of respondents had moderate level of decision making ability followed by good (29.26%) and poor (24.29%) level of decision making

ability. This might be due to majority of them were middle aged, low social participation and not undergone any kind of training related to dairying. These findings are in line with the findings of *Chandrapaul (1998)* and *Vijaykumar (2001)*.

Risk orientation : It could be inferred from the Table 1 that majority (78.04%) of the respondents were found medium risk takers followed by 12.19 per cent had highly risk oriented and very less percentage (9.75%) of the respondents were found to had low risk orientated. This might be due to majority of them were having medium level of innovativeness, middle aged, low social participation and not undergone any kind of training related to dairying. The result is clear indication of the fact that milk processors are calculative while considering a decision concerning new activity. The results of the present study are almost similar with the findings of *Bhagyalaxmi et al. (2003)* and *Suresh (2004)*. The present findings of risk orientation are less as compared to earlier observation of *Vijaykumar (2001)*.

Coordinating ability : Table 1 clearly indicated that majority (39.02%) of the respondents were rated in the category of high co-ordinating ability. However 36.58 per cent of the respondents had moderate coordinating ability and rest 24.39 per cent had poor level on this dimension of entrepreneurial behaviour. Likely interpretation of results were that large number of milk processors had high co-ordination in planning, organizing, leading and controlling the efforts of members employed in milk processing. The results of Coordinating ability are less compared to earlier observations of *Chaudhari (2006)*.

Planning ability : Table 1 showed that the moderate level of planning ability attribute was possessed by 39.02 per cent of the respondents followed by 34.14 per cent of the respondents had good and 26.82 per cent had poor planning ability. This might be due to majority of them were middle aged, low social participation and not undergone any kind of training related to dairying. The results of planning ability are less compared to earlier observations of *Chaudhari (2006)*.

Information seeking behaviour : The results from Table 1 revealed that majority (70.73%) of the respondents belonged to medium information seeking behaviour followed by 19.51 per cent and 9.76 per cent of the respondents had low and high information seeking

behaviour, respectively. Almost similar findings were reported by *Suresh 2004*. This might be due to majority of them were middle aged, low social participation, medium experience in milk processing and not undergone any kind of training related to dairying. The present findings of information seeking behaviour are less compared to earlier observations of *Vijaykumar (2001)*, *Chandrapaul (1998)* and *Chaudhari (2006)*.

Cosmopolitaness : It is quite clear from the Table 1 that 65.85 per cent of the respondents had medium level of cosmopolitaness followed by low (21.95%) and high (12.19%) level of cosmopolitaness. This might be due to majority of them were middle aged, middle educational level, medium level of mass media exposure, low social participation and not undergone any kind of training related to dairying. Almost similar findings were reported by *Patel et al. (2003)*.

Self confidence : The Table 1 showed that majority (46.34%) of the respondents had medium level of self confidence followed by high level (31.70%) of self-confidence and 21.95 per cent of the respondents were poor in their confidence to complete the task or meet the challenges in his/her milk processing unit. This might be due to majority of them were middle aged, middle educational level, medium level of mass media exposure, low social participation and not undergone any kind of training related to milk processing. The present findings of self confidence are less compared to earlier observations *Chaudhari (2006)*.

Distribution of respondents according to their entrepreneurial behaviour level : The score obtained by respondent on all nine dimensions of entrepreneurial behaviour was pooled and referred as score of entrepreneurial behaviour for that individual. It is evident from Table 2 that good majority (80.48%) of the respondents possessed medium level of entrepreneurial behaviour. An equal (9.76%) number of respondents possessed low and high entrepreneurial behaviour, respectively. The mean score obtained for entrepreneurial behaviour index was 77.51 per cent.

Table 2. Distribution of respondents according to their entrepreneurial behaviour level

Category	No.	%
Low (<75.98)	04	09.76
Medium (75.98-87.72)	33	80.48
High (>87.72)	04	09.76

The analysis of overall entrepreneurial behaviour reveals the situation where large majority of milk processors were moderate in their entrepreneurial ability. The individuals rich in entrepreneurial attributes can be role models for isolated group of milk processing who are still to venture out in milk processing. The small section of entrepreneurs were found poorly in entrepreneurial behaviour might be underprivileged group of society who didn't have access to necessary infrastructure, support facilities and most important socio-psychological milieu.

Entrepreneurial Behaviour Index (EBI) of respondents: The Entrepreneurial Behaviour Index was calculated for each of the nine dimensions of entrepreneurial behaviour and also for overall entrepreneurial behaviour.

Table 3. Extent of entrepreneurial behaviour attributes possessed by milk processors

Attributes	MS	EBI	Rank
Achievement Motivation	08.49	84.87	I
Planning ability	08.44	84.39	II
Risk orientation	09.90	82.52	III
Co-ordinating ability	08.15	81.46	IV
Cosmopolitaness	09.71	80.89	V
Innovativeness	08.07	80.73	VI
Self confidence	04.68	78.04	VII
Decision making ability	10.51	75.08	VIII
Information seeking behaviour	13.90	49.65	IX
Overall Entrepreneurial Behaviour	09.09	77.51	

It is observed from Table 3 that highest (84.87%) EBI was found in achievement motivation attribute of entrepreneurial behaviour. The lowest index of 49.65 was recorded in case of information seeking behaviour. However, EBI calculated for planning ability, risk orientation, coordinating ability, cosmopolitaness, innovativeness, self-confidence and decision making ability were 84.39, 82.52, 81.46, 80.89, 80.73, 78.04 and 75.08 with rank II, III, IV, V, VI, VII and VIII, respectively. The EBI for overall entrepreneurial behaviour was found 77.51. The highest index in case of achievement motivation shows that the respondents get motivated by their achievement in the sector of milk processing. The overall entrepreneurial behaviour index i.e. 77.51 can be termed as high. Seven attributes of respondents out of nine were obtained EBI more than 77.51 and on remaining two attributes entrepreneurial behavioural index was lower than 77.51. So good indices on seven attributes were keeping up the respondents at

high level of EBI. Entrepreneurship development training programme must focus more on inculcating the decision making ability and information seeking among milk processors.

Relational analysis between entrepreneurial behaviour and profile of the respondents: The variables considered in the present study studied and explained subjectively till now. It was also important to understand the nature and degree of relationship between entrepreneurial behaviour and profile of the respondents. In order to ascertain the relationship as well as cause and direct relationship between these variables correlation analysis was done. The correlation between entrepreneurial behaviour and profile of the respondents shown in Table 4. While explaining the relationship, the profile was considered as independent variables because these traits were considered as presumed cause of entrepreneurial behaviour. It is evident from Table 4 that the profile traits of the respondents i.e. age, family size, education, experience in milk processing, extension contact, social participation, economic motivation, market orientation, training received and gross annual income had positive and significant relationship with entrepreneurial behaviour of the respondents.

Table 4. Correlation analysis between entrepreneurial behaviour and profile of the milk processors

Independent variables	'r' value
Age	0.5703**
Family size	0.4024**
Education	0.3737*
Experience in milk processing	0.4947**
Mass media exposure	0.2801
Extension contact	0.4750**
Social participation	0.3654*
Economic motivation	0.3137*
Market orientation	0.3953**
Training received	0.5806**
Gross annual income	0.4546**

** Significant at 1% level ; *Significant at 5% level

It was interesting to note that relationship of all these independent variables with dependent variable i.e. entrepreneurial behaviour had strong relationship. However, mass media exposure had no relationship with entrepreneurial behaviour. The variables considered under present study were important traits of the milk processors

and had bearing on the entrepreneurial behaviour of the respondents. In other words all these traits of the respondents were important especially under the domain of entrepreneurship in milk processing among milk processors of the study area. The socio-personal variables like age, family size, education and experience in milk processing and social participation in one or another way may influence one or more attributes of entrepreneurial behaviour. The possession of market orientation and economic motivation to manage processing unit in best way may also help the milk processors in acquiring more and more of attributes of entrepreneurial behaviour.

CONCLUSION

The present study revealed that the great majority (80.48%) of the respondents possessed medium level of entrepreneurial behaviour. The profile traits of the respondents had positive and significant relationship with entrepreneurial behaviour of the respondents. There is need to organise various training activities at district level in order to develop entrepreneurial behaviour among the milk processors. NDRI is playing an important role in milk production and processing in karnal and nearby regions so that the trainings related to milk processing should be organised in order to develop entrepreneurship.

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