

Model of Entrepreneurship in Agriculture

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ABSTRACT

Development of entrepreneurship in agriculture is particularly important because of its relationship with economic growth and the impact of social security. Therefore, through entrepreneurship, especially in agriculture, we can help the economic development of the country's by identifying the advantages and limitations of agricultural entrepreneurship. In this paper, through a comprehensive library research, entrepreneurship in agriculture was studied and its dimensions were identified in the agricultural sector, including cultural aspects of entrepreneurship, entrepreneurship education and entrepreneurial infrastructure. By the end of the studies, a model for the development of entrepreneurship in agriculture was presented that can guide future research in this area and can be used in sustainable and comprehensive development of entrepreneurship in agriculture.

KEYWORD

Agricultural Entrepreneurship, Entrepreneurship development, Entrepreneurship pattern, economic development

INTRODUCTION

Entrepreneurship development is not the only strategy for economic development in rural areas. But it is less expensive than other strategies and is more suitable for the rural environment. With the development of entrepreneurship and the creation of small business entrepreneurs, goods and services is available for villagers. This has a large impact on economic growth and reduce rural-urban migration. Villages as well as towns are full of new and undiscovered opportunities whose discovery and exploitation and creating new and competitive businesses based on them, can be a significant economic benefits for the villagers concerned. Entrepreneurship can reduce unemployment, increase productivity and create employment opportunities for other people and thus increases the income of the villagers. It is noteworthy that

entrepreneurs is not the only solution for job creation and boosting rural income, but in conjunction with other measures, is the best of them [6].

THE CONCEPT OF ENTREPRENEURSHIP

Scholars have stated various definitions of entrepreneurship. Simply stated, it is the process of establishing a business (company) based on a new idea [11]. Economists were the first ones to describe the entrepreneur and entrepreneurship in economic theories. A farmer can set up new methods of planting, watering, maintenance, and enhance the quantity or quality of their products. As you can see in the above cases there is a risk. These risks may cause the loss of crops or the Engineer's investment may be wasted. So you can see that it can be easily concluded that "entrepreneurship is not possible without risk" [7].

THE CONCEPT OF AGRICULTURAL ENTREPRENEURSHIP

Francois Kene and Nicholas Boudo know the earth as the only source of wealth. They know the farmers as entrepreneurs and have accorded a special place for them. Agricultural entrepreneurs can provide opportunities to organize and manage resources to implement their ideas by understanding the opportunities and taking advantage of investment stagnated. And in the process, not only they do work but create jobs for others without relying on the private sector.

One of the characteristics of the farmer entrepreneur, is how to resolve the issue. They believe that, to achieve a creative solution, you first need to identify the real major problem or issue. Farmer entrepreneur think every problem involves both the risks and opportunities and believe that to achieve a good solution, it is necessary to precisely identify both risks and opportunities.

Successful entrepreneurs in the agricultural sector requires an unbroken link with industry and services, in other words the industrialization of agriculture, which institutionalize the relationship between the former and the latter among agriculture and industry sectors. The development of each of these sectors depends on the development of other sectors. However, it is evident that economic development should be followed in sequence, you should begin the process of developing in the agricultural sector and then the industrial

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sector and finally pulled the department of services. Because greater expertise and personal and social skills of people in developing countries is concentrated in the agricultural sector. Therefore, agricultural entrepreneurship is a new method to increase and create income and wealth and also to create job [4].

ENTREPRENEURSHIP IN AGRICULTURE

The present era, the era of knowledge and creativity, and time of integrating ideas and initiatives, attention to entrepreneurship is very important in sustainable development and progress of countries. Entrepreneurship is an important source of inexhaustible human, a resource which returns to the power and creativity of people. Entrepreneurship in the agricultural sector is fundamentally different from the Entrepreneurship in the city, except that it must be expected in rural areas. The definition of entrepreneurship used in the agricultural sector is:

The innovative use of rural resources and utilities in order to capture business opportunities [6].

Entrepreneurship aim in agriculture:

Entrepreneurship aim in agriculture in economic development in rural areas is:

- (1) Access to goods and services required by farmers
- (2) Growth in agriculture
- (3) Reduction of immigration to cities
- (4) Promoting social security and welfare of the agricultural sector.

Long-term strategies for the development of entrepreneurship in the agricultural sector include:

- (1) Creating conditions to reverse the trend of migration
- (2) Modifying and changing energy distribution and use
- (3) Developing and optimizing transportation networks
- (4) Prohibition of garden land use change, and agricultural areas, forest and pasture
- (5) Improving the management and reforming the ways of production in the agricultural sector
- (6) Improving the health, creating pleasant and bracing living environment [6].

Entrepreneurial infrastructure in agriculture:

Development of entrepreneurship in agriculture requires an emphasis on three basic prerequisites:

(A) Development of agricultural entrepreneurship culture
Entrepreneurship culture is a kind of Social culture that encourages and supports entrepreneurial behavior [6].

(B) Agricultural Entrepreneurship Education:

Entrepreneurship training courses and consulting in this field is of the policies of the development of entrepreneurship in rural areas.

(C) Development of Infrastructure in agricultural entrepreneurship:

Providing access to capital, especially venture capital, lending to entrepreneurs, development of transportation facilities and the expansion of information and communications systems, access to information resources and knowledge of universal connectivity, expansion of facilities life in the villages, ... and such as these provides the groundwork for the development of entrepreneurship in rural areas [6].

CHARACTERISTICS OF ENTREPRENEURS

Studies and investigations show that there is a not difference in the characteristics of entrepreneurs in agriculture and other sectors. Major personality and psychological characteristics of entrepreneurs can be: the need to succeed, willingness to risk taking, need for autonomy, internal locus of control, creativity, tolerance of ambiguity [1].

ENTREPRENEURIAL PROCESS

You can also consider entrepreneurship as a process which is realistic. If we imagine this process as follows, these are:

Identifying opportunities, Sifting idea, Feasibility of the idea, BP preparing to produce a prototype, the final financing Ideas, Prioritizing ideas, Selecting Ideas, Initial funding, Samples Hence, entrepreneurship is defined as the process that is started by someone who usually venture and has been sighted thinking and looking away after identifying the service, and after stages of troubleshooting ideas, screening ideas, feasibility and designing ideas for business leads to the formation of the company [9]. So for designing and development of agricultural entrepreneurial activities by local groups, rural centers are encouraged to participate in entrepreneurship programs with four steps as follows:

- 1) Strategy: Following real economic opportunities by the farmers and for them
- 2) Leadership: Creating and linking local capacity for agricultural development
- 3) Performance: Creating the value to entrepreneurs in agriculture
- 4) Sustainability: The allocation of resources to the extent required by farmers [4].

TYPES OF ENTREPRENEURS IN AGRICULTURE

Another issue that was addressed in the attribute approach, is the entrepreneurs segregation into two groups as follows:

1) Good entrepreneurs who are entrepreneurial opportunities (innovation) is also called the builder entrepreneur.

2) Bad entrepreneur who is called devastating entrepreneur or necessary entrepreneur "[10]" that the basis for this classification, is attention to their goals to create new business. The good entrepreneur is called entrepreneur and bad entrepreneurs is called non-entrepreneur. Characteristics of entrepreneurs and non-entrepreneurs are:

A) The entrepreneur:

- 1-Seeking independence 2- Seeking for wealth 3- Looking for opportunities 4-Initiator 5-Looking for deals 6- Accepting risks

B) Non-entrepreneurs:

- 1-Seeking dependence 2-Seeking to Earn a living 3-risk-averse 4-Non-innovator 5-trading averse 6-Analytical [2].

AGRICULTURAL ENTREPRENEURSHIP SUCCESS FACTORS

Factors influencing the success of entrepreneurship in agriculture include:

- 1) Quality of products
- 2) Ability to compete with other businesses
- 3) Ability to deal with unexpected events
- 4) Specialization of labor (education)
- 5) Management of fees
- 6) The use of expert opinion
- 7) Participation in training courses
- 8) Skill labor (executive experience)
- 9) Variation business
- 10) The use of modern agricultural technologies [3].

BARRIERS TO AGRICULTURAL ENTREPRENEURSHIP DEVELOPMENT

faced by entrepreneurs in the agricultural sector include:

- 1- High risk taking in agricultural businesses
- 2- The frequency and difficulty of coordinating the activities of agricultural businesses
- 3- Usefulness of the most of the affairs
- 4- The increasing complexity of Production Technology
- 5- Relatively long duration to achieve the production and supply
- 6- Time consuming to Reach Profitability
- 7- Difficulty of partnership and its sustainability because of individuality and conflict of interest
- 8- Possibility of failure in the first year due to inexperience and unforeseen problems
- 9- Necessity of involvement and direct supervision of a full-time business owner and manager on the all affairs
- 10- Difficulty to maintain products due to inflammatory [5].

Entrepreneurship Development strategies in agriculture:

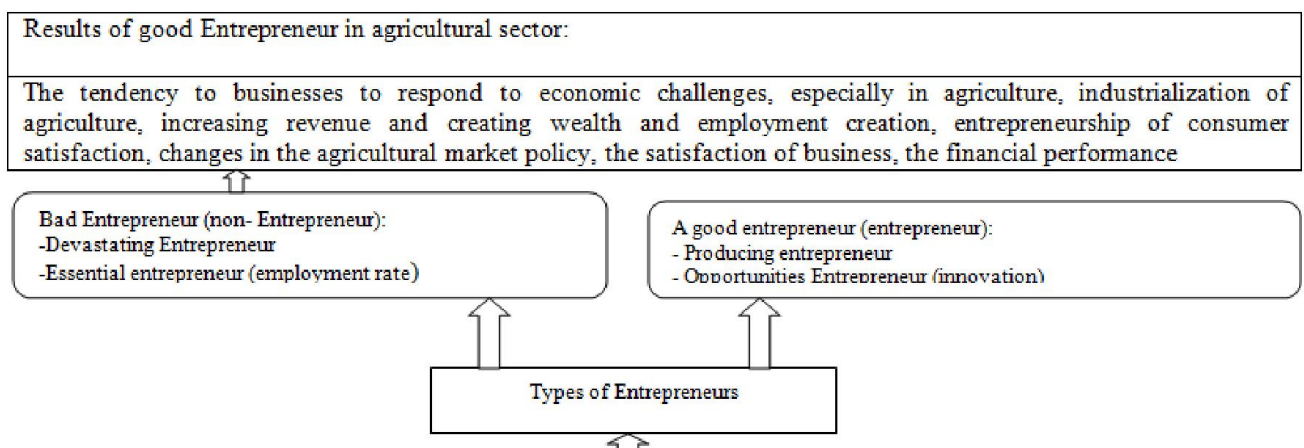
By the analysis of theoretical studies and surveys conducted with strategies for entrepreneurship development in the agricultural sector include:

- 1- Decentralization.
- 2- Determining the country's economic development strategy by determining the countryside and the rural development approach.

- 3- Considering the development of agriculture as a subsidiary of Rural Development.
- 4- Considering the development of entrepreneurship on a national basis
- 5- Move to the agricultural processing industry
- 6- Services is employment Background.
- 7- Increasing the ability of farmers to make use of Internet in rural areas and the development and dissemination of appropriate technologies in rural areas
- 8- Improving the Culture
- 9- Establish business centers, rural growth centers and Entrepreneurship parks
- 10- Creating an atmosphere of collaborative management mechanisms, including the development of entrepreneurship. The Soviets are the most important mechanisms [8].

A CONCEPTUAL MODEL OF ENTREPRENEURSHIP IN AGRICULTURE

Today the planners especially the agricultural economists have concluded that encouraging villagers to tend to the home business in entrepreneur manner is the most appropriate strategy to respond to economic challenges, especially in rural areas. Successful entrepreneur in agriculture, in rural areas requires an unbreakable bond with industry and services and in other words agricultural industrialization. Development process should be started in agricultural sector and then drawn into the industrial sector and the service sector eventually develops. Today entrepreneurship as a strategy for development and growth and development of human societies has become a wonderful alternative by which all of the community factors and resources are mobilized spontaneously and by putting in an evolutionary process in order to achieve the high social ideals to be the source of many of the positive socio-economic consequences. Therefore the numerous benefits of this phenomenon are considered to achieve a developed efficient model that you will see in the figure below.



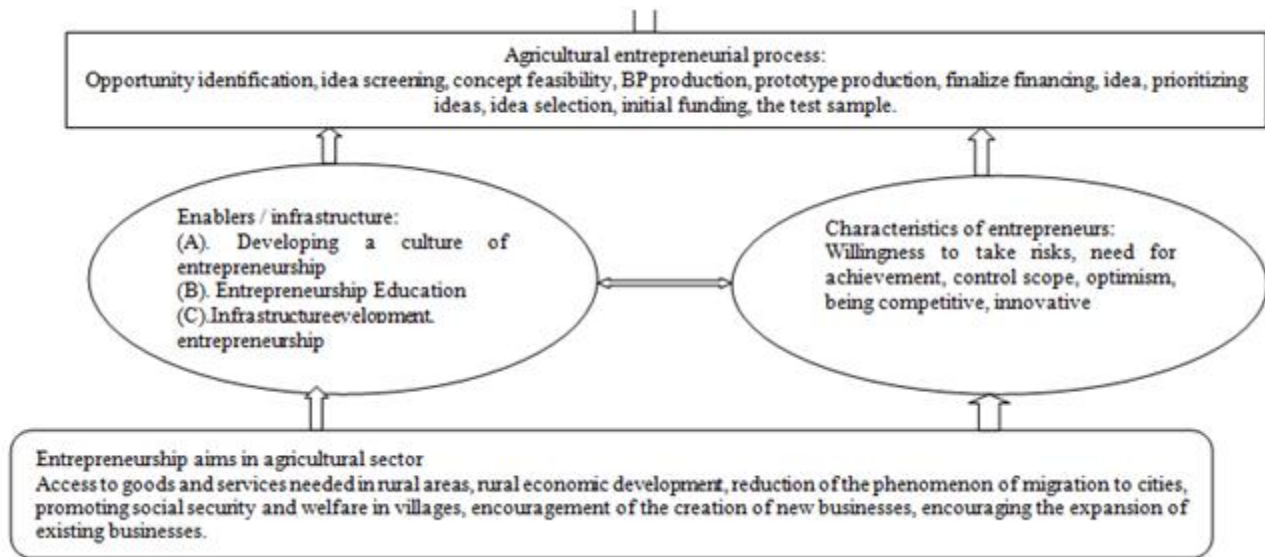


Figure 1: A conceptual model of entrepreneurship in agriculture

DISCUSSION AND CONCLUSIONS

The issue of the importance of entrepreneurship and its direct connection to the national promotion of a nation must be taken seriously is that; despite all its importance in Iranian society it has been sadly neglected and not given its proper attention. And it is nothing but attention to the role of "entrepreneurship and entrepreneurs in the agricultural sector" living in the rural areas. If we know the rural areas as the strategic axes of agriculture and food products for society, whose need is growing up, we will understand its unique role in the development and flourishing. And we will find out that ignoring the contribution of rural institutions costs and grave consequences. What is today called as the socio- economic problems and is heavily upon community and is the cause of social anxiety disorder and specific forms of insecurity, behavioral abnormalities, crooked and evil, morality and social ominous phenomena such as the growth of uncontrolled immigration, the increasing marginalization in and around major cities and many other problems.

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