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# Overcoming barriers to prosperity: Navigating constraints in agribusiness learning and action for inclusive growth

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#### **Abstract**

This research paper investigates the multifaceted constraints encountered by agribusiness entrepreneurs, with a specific focus on the challenges inherent to agripreneurship and participatory action and learning (PAL) within the agricultural sector. Drawing from a comprehensive analysis of various constraints, the study lean-tos light on the complex setting of agribusiness development. The findings underscore the critical need for targeted interventions and support, ranging from financial assistance to equipment provisioning, in order to nurture the growth of agribusiness ventures. Understanding these constraints not only refines agribusiness models but also strengthens the economic landscape of rural communities. This paper offers insights for policymakers, practitioners, and researchers seeking to enhance the efficacy and sustainability of agribusiness interventions, ultimately empowering and fostering prosperity among agribusiness entrepreneurs.

**Keywords:** Navigating constraints, agribusiness learning, agripreneurship, participatory action learning

#### Introduction

The agribusiness sector, renowned for its pivotal role in driving economic growth and fostering social development, particularly within rural and agricultural communities, has proven to be a fertile ground for entrepreneurial activities. Dollinger (2003) [1] defines entrepreneurship in agriculture as the creation of innovative economic organization for the purpose of growth or gain under the conditions of risk and uncertainity in agriculture. Entrepreneurship is the main source of development in major developing and developed countries, hence called the driving engine of economic and social development. Entrepreneurs play key roles especially in establishing SMEs which has led to high employment generation (Jahangiri and Saghafi, 2008) [2]. However, this seemingly promising domain is marred by an intricate web of obstacles that impede the advancement of emerging entrepreneurs, with a particular focus on women and marginalized groups. This research delves into the pivotal issue of constraints within the participatory action and learning processes inherent in agribusiness interventions, explaining the impediments that obstruct inclusive growth and entrepreneurial triumph. The journey towards prosperity within the agribusiness sphere is convoluted (Reddy and Thomas 2019) [8], as substantiated by an array of studies spanning decades. These inquiries have unearthed a multitude of challenges that often appear unbeatable for individuals aspiring to catalyze change in this critical sector. These challenges encompass a wide spectrum, ranging from extremely high input expenses and fierce competition from established players to financial, marketing, and technical intricacies. However, as we dissect these constraints, it becomes manifest that they transcend mere economic hurdles, encompassing social, cultural, and institutional dimensions, thereby further complicating the landscape of agribusiness development. In this scholarly work, the insights and discoveries derived from diverse studies conducted across various regions over the past two decades have been amalgamated. By synthesizing the collective knowledge obtained from these investigations, the objective is to provide a comprehensive panorama of the barriers and constraints impeding the progress of agribusiness entrepreneurs.

#### **Materials and Methods**

This study employed a mixed-method approach to investigate the constraints encountered by agribusiness entrepreneurs in the realms of agripreneurship, participatory action, and learning. Data was collected through focus group discussions (FGDs) involving 50 participant farmers,

who were asked to rank 20 identified constraints on a scale of 1 to 5 based on their perceived significance. The structured questionnaire utilized in the FGDs facilitated the collection of both qualitative and quantitative data. Subsequently, the constraints were ranked based on their total scores. In order to assess whether there are statistically significant differences in how the constraints are perceived among the different enterprises Kruskal-Wallis test of One Way ANOVA was performed.

#### **Results and Discussion**

## Constraints Encountered by Agripreneurs in Agricultural Entrepreneurship through PAL

The study highlighted a range of formidable constraints experienced by agribusiness entrepreneurs are depicted in Table 1. At the forefront, the lack of finance for initiating agribusiness ventures emerged as the most critical challenge. This constraint was ranked the highest, with a total score of 236, underscoring the financial barriers faced by many marginal farmers, which limit their agripreneurial aspirations.

Table 1: Constraints Encountered by Agripreneurs in Agricultural Entrepreneurship

Sl. No	Statements		Rank
1	Lack of finance for initiating the enterprise		1
2	Shortage of equipment or machineries	172	3
3	Lack of vehicle for transportation		2
4	Difficulty in convincing the group members for a participatory training.	92	13
5	Difference in opinion among the members of the group.	88	16
6	Marketing difficulties due to external competition.	146	5
7	Lack of technical expertise	84	17
8	Complex procedures to obtain the license	91	14
9	Lack of team work	122	8
10	Financial constraints for product promotion	78	18
11	Perishability and seasonality of the raw materials	169	4
12	Lack of family support for participating in trainings and initiating business ventures	71	19
13	Lack of optimism to initiate a new venture.	103	10
14	Lack of support and guidance from external agencies.	124	7
15	Absence of an efficient leader to guide the group.	101	11
16	Time constraint which restricts the involvement in the enterprise due to other activities and family issues	88	16
17	Hesitation of group members to take up responsibilities.	136	6
18	Availability of fresh and quality raw materials	106	9
19	Lack of proper accounting and poor maintenance of records.	90	15
20	Inefficient planning and money management	95	12

The results further reveal that in addition to finance, a shortage of equipment or machinery (ranked third with a total score of 172) and a lack of vehicles for transportation (ranked second with a total score of 190) were identified as significant constraints, emphasizing the vital role of infrastructure and logistics in the success of agribusiness. Furthermore, the perishability and seasonality of raw materials (ranked fourth with a total score of 169) were recognized as challenges, highlighting the importance of timely processing and marketing. The study also revealed marketing difficulties due to external competition (ranked fifth with a total score of 146) as a pervasive obstacle for agripreneurs. This underlines the need for innovative marketing strategies to overcome the dominance of established market players. Group dynamics played a critical role in agripreneurship, with hesitation among group members to assume responsibilities (ranked sixth with a total score of 136), stressing the significance of effective teamwork and shared responsibilities within agribusiness groups. Moreover, the lack of support and guidance from external agencies (ranked seventh with a total score of 124) was identified as a key factor influencing agripreneurial success. Lack of teamwork (ranked eighth with a total score of 122) and the availability of fresh and quality raw materials (ranked ninth with a total score of 106) were recognized as constraints affecting the overall effectiveness of agripreneurial ventures. Lastly, a lack of optimism to initiate new ventures (ranked tenth with a total score of 103) was identified as an essential psychological barrier that needs to be addressed to encourage innovation and entrepreneurial endeavors.

These findings align with prior research and underscore the multi-dimensional nature of constraints in agribusiness. The universality of constraints such as finance, infrastructure, and external competition implies that comprehensive support strategies must be developed to alleviate these challenges and facilitate the growth of agribusiness ventures.

### Constraints unique to agripreneurs in specific enterprises through PAL

In addition to the general constraints faced by agripreneurs, this study also examined constraints specific to different agribusiness enterprises, including banana, pineapple, fish, tapioca, and vegetables and the results are presented in Table 2.

**Table 2:** Enterprise wise ranking of constraints based on the total scores

Table 2. Enterprise wise ranking of constraints based on the total scores											
Sl. No	Statements	Banana	Pineapple	Fish	Tapioca	Vegetable	Total				
1	Lack of finance for initiating the enterprise	42	49	50	45	50	1				
_	Eack of finance for intracing the enterprise	(1)	(1)	(1)	(1)	(1)	-				
2	Shortage of equipment or machineries	37	25	45	27	38	3				
		(2)	(7)	(2)	(5)	(3)	3				
3	Lack of vehicle for transportation	37	31	40	37	45	2				
		(2)	(4)	(4)	(2)	(2)					
4	Difficulty in convincing the group	12	28	23	10	19	13				
	members for a participatory training.	(10)	(6)	(11)	(15)	(9)					
5	Difference in opinion among the members	21	16	15	14	22	16				
3	of the group.	(6)	(13)	(16)	(12)	(7)					
6	Marketing difficulties due to external	25	23	43	26	29	5				
U	competition.	(4)	(8)	(3)	(6)	(5)	3				
7	Lack of technical expertise	15	17	20	11	21	17				
,		(8)	(12)	(13)	(14)	(8)	17				
8	Complex procedures to obtain the license	12	30	21	13	15	14				
0		(10)	(5)	(12)	(13)	(11)					
9	Lack of team work	22	16	30	23	31	8				
9		(5)	(13)	(7)	(8)	(4)	0				
10	Financial constraints for product	13	16	14	21	14	18				
10	promotion	(9)	(13)	(17)	(9)	(12)	18				
11	Perishability and seasonality of the raw	30	39	28	34	38	4				
11	materials	(3)	(2)	(8)	(3)	(3)					
12	Lack of family support for participating in	10	16	18	17	10	19				
12	trainings and initiating business ventures	(11)	(13)	(15)	(11)	(14)					
12	call of antimiam to initiate a new venture	22	22	21	19	19	10				
13	Lack of optimism to initiate a new venture.	(5)	(9)	(12)	(10)	(9)					
14	Lack of support and guidance from	12	19	37	30	26	7				
14	external agencies.	(10)	(11)	(5)	(4)	(6)	/				
15	Absence of an efficient leader to guide the	21	20	25	19	16	11				
13	group.	(6)	(10)	(9)	(10)	(10)					
	Time constraint which restricts the	12	28	24	11	13	16				
16	involvement in the enterprise due to other					_					
	activities and family issues	(10)	(6)	(10)	(14)	(13)					
17	Hesitation of group members to take up	25	22	35	25	29	6				
1 /	responsibilities.	(4)	(9)	(6)	(7)	(5)					
18	Availability of fresh and quality raw	13	34	19	26	14	9				
10	materials	(9)	(3)	(14)	(6)	(12)	9				
19	Lack of proper accounting and poor	19	12	24	13	22	15				
19	maintenance of records.	(7)	(15)	(10)	(13)	(7)	13				
20	Inefficient planning and money	19	13	30	14	19	12				
	management	(7)	(14)	(7)	(12)	(9)	12				
	Total	825.0	1035.5	1262.5	892.0	1035					
	N	20	20	20	20	20					
		H = (12/(N))	$(N+1)) * (\sum T2)$	/n) - 3(N+1)							
	Kruskal Wallis One Way Analysis of Variance $H = 0.001 * 260684.025 - 303$ $H = 6.7236$ The H statistic is 6.7236 (4, N = 100). The p-value is .15124.										
	The result is not significant at $p < .05$ .										

Ranks in parenthesis

In all enterprises, lack of finance ranked as the most significant constraint. Participants from various ventures recognized the critical role of financial resources in overcoming barriers and sustaining agribusiness operations. However, constraints varied based on the nature of the enterprise. For example, pineapple enterprises emphasized the constraint of perishability and seasonality of raw materials, indicating the need for timely harvesting and processing to maintain product quality. On the other hand, banana and tapioca enterprises faced significant challenges related to the shortage of equipment or machinery, highlighting the importance of investing in processing equipment for value addition. Additionally, the availability of a vehicle for transportation was a critical constraint for both tapioca and

vegetable enterprises, emphasizing the significance of efficient logistics in marketing.

Inorder to assess whether there are statistically significant differences in how these constraints are perceived among the different enterprises Kruskal-Wallis test, which is a non-parametric alternative to the one-way analysis of variance (ANOVA) was conducted. The results of the Kruskal-Wallis test revealed that the result was not significant at p < 0.05.

These enterprise-specific constraints emphasize the importance of tailored interventions and strategies to address unique challenges within different agribusiness sectors, ultimately contributing to the growth and sustainability of these ventures.

#### Conclusion

In conclusion, this study illuminates the multifaceted challenges faced by agribusiness entrepreneurs, particularly within the realms of agripreneurship and participatory action and learning (PAL). These constraints encompass financial limitations, equipment shortages, transportation hurdles, and the seasonality of raw materials, highlighting the complex nature of agribusiness operations. Additionally, marketing difficulties due to external competition, a lack of technical expertise (Kaimal and Thomas, 2022) [4] and group dynamics pose significant obstacles. The lack of support and guidance from external agencies compounds these challenges. Nevertheless, this research underscores the resilience and determination of agripreneurs, who strive to overcome these constraints and create successful ventures. Tailored interventions, addressing both general and enterprise-specific crucial for nurturing agribusiness constraints, are development and fostering economic growth in rural communities (RinRose and Thomas, 2020) [9]. This study offers valuable insights for policymakers, practitioners, and researchers seeking to enhance the effectiveness and sustainability of agribusiness interventions, ultimately contributing to the empowerment and prosperity of agribusiness entrepreneurs.

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