# Factors affecting youths' interest towards agricultural entrepreneurship: A study in Mattegoda area in Sri Lanka

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## 1. Introduction

Agriculture is the backbone of the economy in many developing countries like Sri Lanka (Pelzom et al., 2017). It provides livelihood for half the total population. Agricultural entrepreneurship plays a vital role in the making of society and the developing economy of a country. It is a weapon that helps battle unemployment, makes productivity, and helps accomplish competitive dominance (Sahni et al., 2020). Young people are crucial in generating economic sustainability in agriculture because they are the productive group in the overall population (Abdullah et al., 2013). But the youths' participation in agricultural businesses has been decreasing over the years because most of them tend to find non-agricultural jobs thinking that agribusinesses are not profitable and not prestigious. The economic crisis of the country has also made pitfalls to youths to find appropriate and fruitful jobs. As a result of that, the rising of unemployment particularly among youths has become higher (Davies, 2008). In this study, the objectives are to identify factors that affect youths to become agricultural entrepreneurs and to analyze the relationship of the factors with the youths' interest involved in the agricultural sector as agricultural entrepreneurs. The research was conducted in the Mattegoda area where youths are diversified in their age, gender, ethnicity, marital status, educational level, income, and employment to achieve the above objectives.

## 2. Materials and Methods

This study used a random sampling method. Data were randomly collected from 200 youths who are between the ages of 18 and 35 years in the Mattegoda area in Sri Lanka as the respondents. Data was collected by selecting houses two by two using a self-administrated questionnaire. The questionnaire is separated into four categories. Category A describes the socio-demographic characteristics of the respondents.

Category B explores the factors that affect youths to become agricultural entrepreneurs. The factors are identified from the previous literature reviews are; attitudes, knowledge, and personality of the respondents to become an agricultural entrepreneurs. These factors were analyzed by using five-point Likert scales ranging from 1= Strongly Disagree to 5= Strongly Agree. Based on that, the mean values of these three factors were analyzed using SPSS.

Category C explores the relationship of factors with the youth's interest to become agricultural entrepreneurs. The dimensions of three factors; "attitude", "knowledge" and "personality" are considered as independent variables. The dimension of the factor "interest" is considered as the dependent variable.

The statements of the five-point Likert scales are developed based on the literature and the knowledge of the author. Altogether there are 29 statements of both dependent and independent variables to be analyzed. A reliability test was done for all 29 statements by using SPSS. The relationship between factors and youths' interest to become agricultural entrepreneurs are

determined by the multiple regression method using SPSS. Section D is an open-ended question to investigate the other factors that influence youths to become agricultural entrepreneurs.

## 3. Results and Discussion

The socio-demographic characteristics such as age, gender, race, religion, marital status, income, educational level, and employment of each respondent are recorded as descriptive statistics. To answer the first objective of the study which identifies the factors that affect the youths to become agricultural entrepreneurs, the mean values of each independent variable are measured. The mean value of variable attitude is 4.2436, the mean value of variable personality is 4.2050 and the mean value of variable knowledge is 4.1350. All these mean values are measured from the result of the five-point Likert scales. According to these results, it can be determined that all respondents have agreed that these variables are the factors that influence the youths' interest in agricultural entrepreneurship.

To answer the second objective of the study which analyses the relationship between factors and youths' interest to become agricultural entrepreneurs, multiple regression results are investigated. There are three factors of independent variables are identified such as attitude $(X_1)$, knowledge $(X_2)$, and personality $(X_3)$ while the dependent variable is identified as the youths' interest to become agricultural entrepreneurs (Y). According to the result, the model is significant ($F_{3, 196}=4.812$ $p<0.05$) because the model p-value is 0.003 which is less than the alpha value of 0.05. The adjusted R square is 0.54 which depicts that it contains a moderate model fitness.

According to the results in table 1, the attitude factor and personality factor are significant as the p values (0.006 and 0.008) are less than the alpha value of 0.05. It shows that these two factors have a strong and significant relationship with the youths' interest in agricultural entrepreneurship. The significant relationship between the variable attitude and youths' interest to become agricultural entrepreneurs is similarly mentioned in the previous literature (Abdullah et al., 2013). But the knowledge factor is not significant because the p-value (0.229) is higher than the alpha value, so that, the knowledge factor has no significant relationship with the youths' interest in agricultural entrepreneurship. This insignificant relationship between the level of knowledge and interest of youths is similarly mentioned in the previous literature (Abdullah et al., 2013). Regression coefficients for the equation can be found in column "B" in table 1 and it shows the unstandardized regression coefficient. The regression coefficient equation is;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 ........+ \beta_n X_n + \varepsilon \ (\varepsilon=0),$$
Interest = 3.407 + 0.231(Attitude) + 0.102(Knowledge) – 0.247(Personality).

As the other factors that can impact youths to become agricultural entrepreneurs, 47.5% of respondents have recorded as family support, 31% of respondents as technology, 14.5% of respondents as experience, 11.5% of respondents as government support, and 11% of respondents as promotional programs. According to the results of the reliability test, the Cronbach's Alpha value is 0.729 which indicates that the overall scale is having good reliability.

**Table 01. Coefficients of the independent variables**

| Model | Unstandardized Coefficient | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| 1 (Constant) | 3.407 | 0.393 | | 8.679 | 0.000 |
| Attitude | 0.231 | 0.083 | 0.245 | 2.772 | 0.006 |
| Knowledge | 0.102 | 0.084 | 0.095 | 1.206 | 0.229 |
| Personality | -0.247 | 0.092 | -0.219 | -2.672 | 0.008 |

## 4. Conclusions

The attitude of the respondents and personality to become an agricultural entrepreneur including risk-taking ability, innovative thinking, persistence, enthusiasm, and optimism have a significant relationship with the youths' interest to become an agricultural entrepreneur while the knowledge level is relatively insignificant to become an agricultural entrepreneur. Like the other factors, promotional programs such as exhibitions and competitions, family support, government support such as providing infrastructure, subsidies and raw materials, technology, and experiences are also equally important to promote agricultural entrepreneurship among youths. These results show that youths have an interest in agricultural entrepreneurship but the other factors also should be equally considered.

## 5. References

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