

ASSESSMENT OF THE FARMER BUSINESS SCHOOL TRAINING PROGRAMME ON COCOA FARMERS' ENTREPRENEURIAL SKILL ACQUISITION IN ORIADE LOCAL GOVERNMENT AREA, OSUN-STATE, NIGERIA

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Abstract

The study assessed the Farmer Business School training programme on cocoa farmers' entrepreneurial skill acquisition in Oriade Local Government Area, Osun-state, Nigeria. Ninety cocoa farmers who participated in the Farmer Business Training School (FBS) were randomly selected from three (3) communities in the study area. A structured interview schedule was used to collect information from them. The data collected were analyzed using frequency counts, percentages and Chi square. The study shows that the mean age of the farmers that participated in FBS was 57 years. Most of them were mostly married and of the male gender with a mean farming experience of 26years, over half of them had one form of formal education or the other. The respondents perceived that they have acquired very high entrepreneurial innovation, marketing, and production skills. They also had savings after sales and daily money management skills. They perceived that they had high entrepreneurship knowledge in planning skills, risk taking skills and profit maximization. The major constraints to the maximum utilization of the skills acquired by farmers in Farmer Business School are lack of financial/credit facilities, Poor input supply, and Inadequate trained manpower. The result of the hypothesis revealed that the farmer business school training programmes positively influenced the entrepreneurial skills acquired by the cocoa farmers. There was a positive and significant relationship between the perceived levels of the entrepreneurial skill acquired by the farmers and their farm size ($r=0.002$; $p\geq 0.05$) and income ($r=0.020$; $p\geq 0.05$) at 5% level of significant. The study recommends that more farmers should enrol in FBS to develop their entrepreneurship skills and see farming as a business.

Keywords: Assessment, Farmer Business School, Cocoa Farmers' and Entrepreneurial skill

Introduction

The term entrepreneurship is used to describe a dynamic process of incremental wealth (Shailesh *et.al*, 2013). This wealth is created by individuals who take the major risks in terms of equity, time and career commitment of providing value to some product or services. The product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skill and resources. In other words entrepreneurship is the application of energy for initiating and building an enterprise (Mishra *et al.*, 2010). Sveiby (1997) suggests that knowledge is invisible because it lacks "a generally accepted definition and a measurement standard". He defines knowledge as "a capacity to act". Knowledge has also been defined conventionally, as beliefs that are true. Training programme in agriculture is designed to develop farmers so as to make them better entrepreneur and decision makers and to help them organize themselves into effective associations and institutions (Famuyiwa *et al.*, 2012).

The Farmer Business School concept according to World Cocoa Foundation (2015) was developed for cocoa smallholdings in Nigeria, Ghana, Côte d'Ivoire and Cameroon by the GIZ/Sustainable Cocoa Business project in close collaboration with its partners. The objective was to enhance competitiveness of diversified cocoa smallholdings as a condition for long term sustainable livelihoods and supply of cocoa.

Some of the basic features of FBS are that it is based on the Principles of farming as a business some ; Basics of human nutrition and farm management for enough food and a balanced diet ; Economics of cocoa and food products; Investment decisions and strategies based on cost and benefit analysis to diversify and increase incomes ; Financial management ; Savings and credit ; Benefits from quality cocoa; Benefits from membership in producer organizations; and Planning investments in replanting of cocoa. The Federal Ministry of Agriculture and Rural Development (FMARD, 2015) stated that the Farmer Business School (FBS) was to

complements technical training, agricultural extension programs and financial services for agriculture. The program supports extension, financial services and input dealers and enhances links to other public and private development initiatives.

Research Problems

In Nigeria, Farmer Business School is located in Abia, Cross River, Edo, Ekiti, Osun and Ondo states. These states have about 70 per cent of rural farmers in Nigeria. In these states, vast land is set aside to produce major crops on farm. Over 59,000 cocoa, cotton, rice and tomato producers have graduated from Farmer Business School.

Despite the high participation of farmers in FBS in Osun state, there is a dearth of information on the entrepreneurial and management skills acquired by the cocoa farmers. to achieve sustainable development in Cocoa production in Osun state, requires the ability of cocoa farmers to develop a good entrepreneurial and management skills, thus, the significance of FBS. Based on the forgoing, the following pertinent research questions were raised:

1. What are the socio-economic characteristics of the cocoa farmers that participated in Farmer Field School in Osun state?
2. What are the perceived entrepreneurial skills acquired by the cocoa farmers in the FBS?
3. What are the constraints limiting the participation of the respondents in Farmer Business School?

Objectives of the Study

The study aimed at assessing the entrepreneurial and management skills acquired by cocoa farmers in Farmer Field School in Oriade Local Government Area, Osun-state, Nigeria.

The specific objectives of the study include to:

1. Describe the socio-economic characteristics of the cocoa farmers that participated in Farmer Field School in Osun state
2. Identify the enterprise activities engaged in the FBS by the respondents
3. Determine the perceived entrepreneurial skills acquired by the cocoa farmers in the FBS?
4. Determine the constraints to the participation of the respondents in Farmer Business School.

Research hypothesis

H₀: There is no significant relationship between the socio-economic characteristics of the respondents and the perceived levels of entrepreneurial skill acquired by the respondents from FBS

Methodology

The study was conducted between April and July 2016 in Osun state, Nigeria. Osun state was created on the 27th day of August, 1991 with the capital situated at Oshogbo. According to the National Geospatial Intelligence Agency (2004), the state is located on latitude 7.5000°N and longitude 4.5000°E of the equator. It has a land area of 9,251 km² of land area with a total population of two million, two hundred and three thousand and sixteen (1991 census) but increased to four million, one hundred and thirty seven thousand, and six hundred and twenty seven as at 2005 census report (National Population Commission, 2005). Oriade is a Local Government area in the Northeastern part of Osun-state. It is predominantly occupied by the Ijesa people. Its capital is Ijebu-Jesa (or Ijebu Ijesha) in the north of the area at 7°41'00"N 4°49'00"E / 7.68333°N 4.81667°E. It has an area of 465km² and a population of 148,617 as at 2006 census.

A multi-stage sampling technique was used in selecting the respondents used for the study. In the first stage, one Local Government area was purposively selected, based on its involvement in Farmer Business School training programme. The second stage involved a simple random selection of three (3) towns (Erin-Ijesha, Akola-Alaherebere, Erin- Oke) out of the four wards of the local government area that are participating in Farmer Business School. The third stage involved a random selection of thirty (30) farmers who participated in Farmer Business School training programme in the selected communities. A list of participating farmers was collated with the assistance of the FBS programme staff in the Local Government area. Therefore, a total of 90 respondents were used for this study.

Results and Discussions

Socio-economic characteristics of the respondents

Table 1 revealed the socio-economic characteristics of respondents. The age of the farmers ranges from 40 - 70 years. Their mean age was 57.1years with standard deviation of 7.8. It was evident that a few youth participated in FBS programme. The low participation of youth might be connected with the rural-urban migration of young people in search for greener pastures. The majority (77.8%) of the respondents were males while 22.2% were females. The majority (92%) of the respondents were married. This may be an indication that marital status is an important factor in cocoa farming. According to Fair Labour Association (2014), women perform numerous tasks on cocoa plantations, including establishing new cocoa

nurseries, planting seedlings, maintaining plantations, collecting cocoa pods and transporting, fermenting and drying cocoa. Farmers need a large family to reduce the cost of farm labor and maintain a relatively stable life style in the rural area especially tree crops like cocoa.

The majority (71%) of the farmers had between 4-6 household sizes. Ogungbile *et al.* (2002) reported that the adoption index may be either positively or negatively related to the household size depending on the nature of the age structure and the amount of labor contributed among members. Banmeke (2003) further asserted that household size is an important index in any rural development intervention which can affect the outcome of such intervention.

The result showed that 57.8% of FBS farmers had one form of formal education or the other. Njoku (1991) observed that formal education has a positive influence on adoption of innovation. Also Oni *et al.* (2005) reported that the literate farmers are likely to accept new innovation than the illiterate farmers thereby enhancing their productivity and greater farms' returns.

Also, the farm size of most of the respondents ranges from 1-3 hectares with the mean of 2.9 and standard deviation of 1.1. This might be connected with the land fragmentation caused by land tenure systems.

The study agrees with Okunlola and Adekunle (2000) report that 53% of the Nigerian farmers have less than 4 ha of land. In West Africa, cocoa is essentially a smallholder crop; cultivated on 1.2 to 1.5 million farms ranging in size from 1.2 to 2.8 hectares and employing about 10 million people. This implies that majority of the cocoa farmers operate small holding due to land tenure system in the country.

The mean of the farming experience of farmers was 25.9 years with standard deviation of 8.3, these relatively long years of experience in cocoa production is likely to have exposed the farmers to

various entrepreneurial skills in cocoa. Ogungbile *et al.* (2002) indicated that the length of time of farming business can be linked to the age of farmers, access to capital and experience in farming may explain the tendency to adopt innovations and new technology.

The major occupation of the respondents is farming. This confirms that agriculture is the mainstay of the people living in the rural areas and so farming is the major occupation in the rural areas. Agriculture is the largest and oldest industry in the world. In terms of sustainable employment, agriculture is by far the most important sector of the Nigerian economy, engaging about 60% of the labor force, Central Bank of Nigeria (CBN), (2003). The results also showed that 21% of the respondents engaged in trading as their minor occupation in their bid to reduce income risks.

Perceived levels of entrepreneurial skill acquisitions of the respondents

Table 2 shows that the respondents perceived that they have acquired very high entrepreneurial innovation skills, marketing skills, production skills, and savings after sales and daily money management skills. Also, they perceived that they had high entrepreneurship knowledge in planning skills, risk taking skills and profit maximization.

These results agrees with Sherief, (2005) who opined that entrepreneurship training/ education that exposes farmers to life applicable issues is capable of helping the farmers in adopting new management practices and strengthen their confidence and ability to take risk. Some of the skills acquired would assist in developing their business acumen in cocoa enterprise.

The skills acquired indicate the various areas of training in agri-business given to the farmers. This is in line with the objectives of the programme of developing the farmer's skills in principles of farm business, financial management and planning investments.

Table 1: Socio-economic characteristics of the respondents (n=90)

Variables	Frequency	Percent (%)
Age (years)		
41-50	27	30
51-60	29	32
61-70	34	38
Mean	57.1	
Sex		
Male	70	78
Female	20	22
Marital status		
Single	Nil	
Married	83	92
Divorced	1	1
Widowed	6	7
Household size		
1-3	22	24
4-6	64	71
7-9	4	5
Mean	4.3	
Educational level		
No formal education	38	42
Adult education	9	10
Primary education	9	10
Secondary education	25	28
Tertiary education	9	10
Farm size (Hectares)		
1-3	61	68
4-5	29	32
Mean	2.9	
Farming experience (years)		
10-19	12	13
20-29	47	52
30-39	22	25
40-49	9	10
Mean	25.9	
Major Occupation (farming)	90	100
Minor Occupation		
Trading	19	21
None	71	79

Source: Field survey, 2016.

Table 2: Perceived levels of entrepreneurial skill acquisitions of the respondents (n=90)

Entrepreneurial skills	Very Low (1)	Low(2)	Moderate(3)	High(4)	Very High (5)	Means	Remarks
Planning skills	-	2	1	67	20	4.14	H
Risk taking skills	-	-	1	84	5	4.04	H
Innovation skills	-	-	2	3	85	4.92	VH
Marketing skills	-	-	2	2	86	4.93	VH
Production skills	-	-	-	5	85	4.94	VH
Savings after sales	-	-	2	3	85	4.92	VH
Managing Money Daily	-	-	2	3	85	4.95	VH
Profit maximization	-	1	2	78	9	4.04	H

Source: Field survey, 2016.

Constraints to the maximum utilization of skills acquired in the in Farmer Business School

Table 3 revealed the major constraints to the maximum utilization of the skills acquired by farmers in Farmer Business School. These are Lack of financial/credit facilities ($\bar{x}$ = 3.54), Poor input supply ($\bar{x}$ =3.54) and Inadequate trained manpower

($\bar{x}$ =3.48). It confirms the World Cocoa Foundation (2015) assertion that FBS graduates are hungry for inputs and credits whose services are fragmented, not available or limited in access.

However, all others are below the mean, which indicate that they are not constraints to the utilization of the skills acquired in FBS.

Table 3: Constraints to the maximum utilization of skills acquired in the in Farmer Business School

Constraints	SS	S	LS	NS	Mean	Rank
	F (%)	F (%)	F (%)	F (%)		
Land unavailability	61 (67)	17(19)	6(7)	6(7)	1.52	5
Non-accessible road	54(60)	24(26)	7(8)	5(6)	1.59	4
Inadequate trained manpower	8(9)	7(8)	9(10)	66(73)	3.48	3
Lack of financial/credit facilities	5(6)	6(7)	14(15)	65(72)	3.54	1
Poor input supply	6(7)	4(5)	18(20)	62(68)	3.51	2

Source: Field survey, 2016.

Grand mean = 2.73; SS= strongly severe; S=Severe; LS=Less severe; NS=Not severe

Relationship between socio-economic characteristics of respondents and the perceived levels of entrepreneurship knowledge of respondents

The Chi square analysis in Table 4 revealed that significant relationship exists between the Income (χ^2 =0.322), and farm size (χ^2 =12.108) and the perceived levels of entrepreneurship skill acquired by the respondents and it shows that the higher the skills acquired by the farmers, the greater their farm sizes and their income. Entrepreneurial skills acquired by farmers enable them to increase their income and farm sizes. It affirms the assertion of Federal Ministry of Agriculture and Rural Development (FMARD,

2015) that the Income of farmers that participated in FBS increased more than quadrupled with an increase between 630 to 830 € and that the Farmers re-invest additional income in production, replanting of cocoa and improved housing. However, there is no significant relationship between the age, sex, religion marital status household size, household heads farm experience and educational level of the respondents and entrepreneurial skill acquisition. It shows that the age, sex, religion, marital status, household size, farming experience and occupation of the respondents do not determine the level of entrepreneurial skill acquisitions in FBS.

Table 4: Results of Chi-square analysis of the relationship between perceived levels of entrepreneurship knowledge of respondents and the socio-economic characteristics of respondents

Variable	χ^2 -value	DF	C	Decision
Age	5.608	4	0.230	Not significant
Sex	1.220	2	0.5543	Not significant
Religion	1.071	2	0.585	Not significant
Marital status	1.008	4	0.909	Not significant
House size	7.400	4	0.116	Not significant
House head	0.890	2	0.641	Not significant
Income	0.322	1	0.020	Significant
Farm size	12.108	2	0.002	Significant
Farm experience	10.238	6	0.115	Not significant
Education level	1.091	2	0.590	Not significant

Source: Field survey, 2016

C=Coefficient of Contingency; *Significant at $P < 0.05$; DF=Degree of Freedom.

Summary and Conclusion

The study assessed the Farmer Business School training programme on cocoa farmers' entrepreneurial skill acquisition in Oriade Local Government Area, Osun-state, Nigeria. Ninety cocoa farmers who participated in the Farmer Business Training School (FBS) were randomly selected from three (3) communities in the study area. A structured interview schedule was used to collect information from them. The data collected were analyzed using descriptive statistical tools such as frequency counts and percentages and inferential statistics such as Chi square. The study shows that the mean age of the farmers that participated in FBS was 57 years, the majority (92%) were married, 78% of them were males, the mean years of farming experience was 26years, 58% of the farmers have had one form of formal education or the other. The respondents perceived that they have acquired very high entrepreneurial innovation skills, marketing skills, production skills, and savings after sales and daily money management skills. Also, they perceived that they had high entrepreneurship knowledge in planning skills, risk taking skills and profit maximization. The major constraints to the maximum utilization of the skills acquired by farmers in Farmer Business School are lack of financial/credit facilities, Poor input supply, and Inadequate trained manpower. The result of the hypothesis revealed that the farmer business school training programmes positively influenced the entrepreneurial skills acquired by the cocoa farmers. There was a positive and significant relationship between the perceived levels of the entrepreneurial skill acquired by the farmers and their farm size ($r=0.002$; $p \geq 0.05$) and income ($r=0.020$; $p \geq 0.05$) at 5% level of significant. The study recommends that more farmers should enrol in FBS to develop their entrepreneurship skills and see farming as a business.

The study concludes that Farmer Business School training programme improved the entrepreneurial skills of the cocoa farmers in the study area. The skills acquired had positive and significant effects on their income and farmers. However, they were incapacitated by credit facilities, poor input supply and manpower shortages

Recommendations

Based on the findings of this research, the following recommendations are made:

1. Credit facilities, and farm inputs should be provided for the farmers to effectively utilise the skills acquired from the farmer field school
2. More farmers should be encouraged to participate in the training programme.

3. More extension agents should be trained to supply the manpower needs of FBS

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