

ID 54

Identification of entrepreneurial readiness and challenges for economic home gardens located in tea small holdings in Doluwa Divisional Secretariat in Kandy district

D.M.H.B.Dissanayake^{1*}, M.K.S.L.D. Amarathunga¹, M.G.P.P. Mahindaratne¹, M.R.N. Dhammika²

¹Department of Export Agriculture, Faculty of Animal Science and Export Agriculture, Uva Wellassa University, Badulla 90000, Sri Lanka

²Tea Small Holding Development Authority, Kandy region

Abstract

Despite the fact that there is a significant potential to transform home gardeners into economic home garden-based entrepreneurs, the tea smallholding sector in Sri Lanka has only a limited number of such entrepreneurs due to various reasons. This study aims to explore the entrepreneurial readiness, challenges and potentials for being an economic home garden-based entrepreneur. A cross-sectional explorative study was conducted. Stratified purposive sampling technique was used to select 50 tea smallholders who participated and another 50 smallholders who did not participate for the extension programs, in four *Grama Niladhari* Divisions in Doluwa Divisional Secretariat in Kandy District. A field survey administering pretested structured questionnaire and focus group discussions were undertaken to collect primary data. The relative severity index was used to identify the importance of the various challenges faced by them. Potential areas for business startups were also identified. Both descriptive analysis and multiple regression models were used for data analysis. Paired t-test which was done between above two groups resulted that there is a significant difference between them ($P < 0.05$) and also, tea smallholders who participated to the extension programs showed highest mean value, which confirms that they acquire more entrepreneurial readiness than the other group. The descriptive analysis revealed that the entrepreneurial readiness of the economic home garden-based tea smallholders is high (75.42%). Female participation and their entrepreneurial readiness are higher than that of male. Both female and male farmers with no formal education have higher entrepreneurial readiness (74%). Multiple regression analysis revealed that entrepreneurial readiness has a significant positive relationship with motivation related to financial stability ($p < 0.001$), entrepreneurial ability of farmers ($p < 0.1$), their identified opportunities, ($p < 0.05$) and the number of extension providers who gave frequent technical advices ($p < 0.05$) whilst a significant negative relationship is shown with education ($p < 0.05$) and experience ($p < 0.05$). The compost-based products, floriculture, liquid fertilizers, vanilla cultivation, and seed production were identified as potential areas for small-scale business startups. The major challenges faced by entrepreneurs were pests and disease attacks, scarcity of skilled labor, shortage of inputs, adverse effects of climate, and low yields. In conclusion, the economic home gardeners based on tea small holdings have higher entrepreneurial readiness. Among them, those who have prior participation to extension programs showed more entrepreneurial readiness. Entrepreneurial readiness of such holdings could be uplifted by motivating, strengthening their entrepreneurial abilities by conducting more extension programs and increasing service providers, identifying appropriate and potential agribusiness and giving them viable solutions for major challenges and limitations. Hence, policymakers should give due attention on above aspects for the encouragement of tea small holders to establish economic home garden as an extra income source for improving their lively hood.

Keywords: Challenges and potentials, Entrepreneurial readiness, Economic Home gardens, Tea small holdings,

***Corresponding Author:** bhanuka.dissanayake24792@gmail.com