

Entrepreneurial Orientation and Its Correlates: A Study of Tea Growers in Palampur Himachal Pradesh



Deep Chand
Research Scholar,
Department of Sociology,
Panjab University,
Chandigarh, India

Abstract

The tea industry was established during the British period in Palampur which could flourish and expand in an appropriate entrepreneurial environment. Entrepreneurial orientation is conceptualized and operationalized in terms of attributes like, creativity, innovation, need for achievement motivation and risk-taking ability. The present study was conducted in Palampur, Himachal Pradesh. The sample of the study was 236 tea growers selected through proportionate stratified random sampling. The objectives of the study were to find out the relationship of entrepreneurial orientation with socio-economic characteristics and occupation / industry related variables. The tea growers from the underprivileged sections such as Scheduled caste and other backward classes have established their enterprises. Interestingly, those with preceding work of tea cultivation have developed a great involvement in embarking on an entrepreneurial career and have provided emotional support to their parents and family for sustaining, supporting and keeping their family enterprise.

Keywords: Entrepreneurial Orientation, Entrepreneurship, Tea Growers.

Introduction

Entrepreneurial orientation is conceptualized in terms of attributes like calculativeness, creativity, innovation, need for achievement motivation and risk-taking ability given by Weber, Hagen, McClelland and Schumpeter. Weber examined the relationship of Protestant ethics and the spirit of capitalism. He perceived the relationship of the spirit of modern economic life and entrepreneurial orientation with the ethics of ascetic Protestantism. Further, he described that the role of 'concept of calling' and the value system of the Protestants in bringing entrepreneurship and capitalism. The values like dutifulness, hard work, honesty generated attributes like calculativeness, economic rationality in Protestants, which made them to rationalize and strive for excellence in every aspect of their lives which ultimately resulted in the capitalist spirit and economic development of the west. To Weber, Protestants were economically more successful than people belonging to other religions, and he found that capitalism in the West was superior from the other countries where religious such as Catholicism, Hinduism, Jainism, Buddhism and Judaism were prevalent (Weber, 1958).

McClelland examined the relationship between need for achievement motivation and entrepreneurship. He noted that 'the need for achievement motivation' is a desire to do well not so much for the sake of social recognition or prestige, but to obtain an inner feeling of personal accomplishment' which he considered to be the main attribute of entrepreneurship generated by child-rearing and socialization practices (McClelland, 1961).

Hagen examined the relationship between withdrawal of status respect and entrepreneurial orientation in the case of some groups like Samurai in Japan, Antiquinos in Columbia, Protestant dissenters in England, non-Huguenots in France, old believers in Russia and Parsis in India at different points of time. The very feeling of derogation, separation, and marginality enabled them to take up the path of entrepreneurship. It is not only these non-conformist groups faced derogation but also further supported members of their own groups to emerge as successful entrepreneurs. In this way, the entrepreneurial groups or business communities emerged, and they participated in the process of economic development. Hagen went to the extent that the capitalist spirit and high

need for achievement motivation among Protestants was due to dissent and derogation experience by them within their own society (Hagen, 1962).

Schumpeter described an entrepreneur as a special type who carried out innovation by the introduction of new good, methods of production, new market, and new sources of supplying raw materials and by carrying out the new organization of industry. By doing something new an entrepreneur had to provide leadership for which he had to face difficulties and sometimes the leadership might go against his own wishes. He considered an entrepreneur as an agent of change who could instill a kind of 'economic quantum impulse'. According to Schumpeter, there is the will to conquer: the impulse to struggle, to prove oneself superior to others, to succeed for the sake, not of the fruits of success, but of success itself. Finally, there is the joy of creating, of getting things done, or simply by exercising one's energy and ingenuity (Schumpeter J. A., 1934). Like Schumpeter, Drucker said an entrepreneur searches for changes, respond to it and exploits opportunities. Innovations are the specific tool of an entrepreneur; hence an effective entrepreneur converts a source into a resource (Drucker, 2015).

Weber emphasis was on rationality imbibed by Protestants because of their belief and values system, whereas Schumpeter's focus was on innovation, which was due to the exceptional dynamism of the entrepreneurs whom he called men with exceptional abilities. Interestingly, both Hagen and Schumpeter seem to have agreed that

entrepreneurs had certain distinct attributes, despite the fact that they faced obstacles where routine boundaries would stop and they may have to swim against the stream (Schumpeter J. , 1939) and also had to face hatred and resistance of people. Keeping this in mind the study assesses the level of entrepreneurial orientation of tea growers and correlates it with socio-economic variables.

Objectives of the Study

1. To assess the level of entrepreneurial orientation of tea growers
2. To examine the correlation of entrepreneurial orientation with age, caste, education etc.
3. To examine the relationship of entrepreneurial orientation with occupational /industry related variables.

Universe and Sample

The present study was conducted in Palampur, Himachal Pradesh. The selection of sample was on the basis of a list of tea growers were procured from the office of technical office of tea (Chai Bhawan) Palampur. The selection of sample was on the basis of the proportionate stratified random sampling. The size of the sample were 236 respondents. The interview schedule was used for data collection and to measure variable like entrepreneurial orientation likert scale was applied.

The relationship has been examined in the following section on the correlation of entrepreneurial orientation with age, caste category, education, marital status, family type, monthly earnings and family size.

Entrepreneurial Orientation and Socio-Economic Variables

Table 1: Entrepreneurial Orientation by Age

Entrepreneurial Orientation	Age				Total
	30-45	46-60	61-75	76 and above	
Low	7 29.2%	22 32.4%	27 23.3%	10 35.7%	66 28.0%
Medium	5 20.8%	8 11.8%	19 16.4%	3 10.7%	35 14.8%
High	12 50.0%	38 55.9%	70 60.3%	15 53.6%	135 57.2%
Total	24 100.0%	68 100.0%	116 100.0%	28 100.0%	236 100.0%

Chi-Square value =4.019; df=6; p=.674(>=0.05)

To examine the entrepreneurial orientation with the age of the respondents, it is hypothesized that entrepreneurial orientation is higher among older age tea growers than younger age tea growers. Table 1 shows that 60.3 per cent tea growers in the age group of 61 to 75 years have high entrepreneurial

orientation compared to the other age groups. Although there is not much difference in the entrepreneurial orientation of the tea growers perhaps most of the respondents entered in tea industry after the retirement from primary job.

Table 2: Entrepreneurial Orientation by Caste Category

Entrepreneurial Orientation	Caste Category				Total
	General Category	Scheduled Castes	Scheduled Tribes	Other Backward classes	
Low	53 34.2%	4 9.5%	6 60.0%	3 10.3%	66 28.0%
Medium	29 18.7%	2 4.8%	0 .0%	4 13.8%	35 14.8%
High	73 47.1%	36 85.7%	4 40.0%	22 75.9%	135 57.2%
Total	155 100.0%	42 100.0%	10 100.0%	29 100.0%	236 100.0%

Chi-Square Value=31.113; df=6; p=.000 (<0.05)

The correlation of entrepreneurial orientation with caste depicts that 85.7 per cent tea growers from scheduled caste have high entrepreneurial orientation compared to 47.1 per cent tea growers from general category with high entrepreneurial orientation. It is

interesting to discover that the respondents becoming orientated from the underprivileged section such as Scheduled caste and other backward classes (Table 2).

Table 3: Entrepreneurial Orientation by Education

Entrepreneurial Orientation	Education						Total
	Illiterate	Middle	High School	Sr. Secondary	Graduation	Post Graduation & above	
Low	10	21	27	4	3	1	66
	76.9%	35.6%	31.8%	19.0%	7.7%	5.3%	28.0%
Medium	1	3	17	7	6	1	35
	7.7%	5.1%	20.0%	33.3%	15.4%	5.3%	14.8%
High	2	35	41	10	30	17	135
	15.4%	59.3%	48.2%	47.6%	76.9%	89.5%	57.2%
Total	13	59	85	21	39	19	236
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square value=46.087; df=10; p=.000 (<0.05)

The data show that 89.5 per cent tea growers with post-graduation and 76.9 percent with graduation have high entrepreneurial orientation. This

indicates that education certainly raises the level of entrepreneurial orientation (Table 3).

Table 4: Entrepreneurial Orientation by Marital Status

Entrepreneurial Orientation	Marital Status			Total
	Unmarried	Married	Widower	
Low	2	54	10	66
	66.7%	26.1%	38.5%	28.0%
Medium	0	33	2	35
	.0%	15.9%	7.7%	14.8%
High	1	120	14	135
	33.3%	58.0%	53.8%	57.2%
Total	3	207	26	236
	100.0%	100.0%	100.0%	100.0%

Chi-Square value= 4.774; df=10; p=.311(>=0.05)

It is important to find out the relationship of entrepreneurial orientation with the marital status of the tea growers. Most of the tea growers are married and not only maintain their families, but also their tea gardens. Therefore, with the support of the family, they not only deal the problem with entrepreneurial

unit, but they also able to carry out their entrepreneurial work confidently. 53.8 per cent of widowers also expressed that they got support from their sons or daughters with whom they were living (Table 4).

Table 5: Entrepreneurial Orientation by Type of Family

Entrepreneurial Orientation	Type of Family		Total
	Joint Family	Nuclear Family	
Low	56	10	66
	29.5%	21.7%	28.0%
Medium	26	9	35
	13.7%	19.6%	14.8%
High	108	27	135
	56.8%	58.7%	57.2%
Total	190	46	236
	100.0%	100.0%	100.0%

Chi-Square value=1.678; df=2; p=.432(>=0.05)

Table 5 shows the correlation of entrepreneurial orientation with type of family. 58.7 per cent tea growers from nuclear Family and 56.8 per cent of joint families have high entrepreneurial orientation. Although, there is not much difference in the orientation level of the respondents, but in nuclear

family's respondents are free to take decisions related to the tea cultivation. There is change in the trend even in the joint family where the head of the household make all the members to participate in the decision-making process.

Table 6: Entrepreneurial Orientation by Size of the Family

Entrepreneurial Orientation	Size of the Family			Total
	1-4 (Small)	5-8 (Medium)	9 and above (Large)	
Low	10 21.7%	44 27.7%	12 38.7%	66 28.0%
Medium	9 19.6%	22 13.8%	4 12.9%	35 14.8%
High	27 58.7%	93 58.5%	15 48.4%	135 57.2%
Total	46 100.0%	159 100.0%	31 100.0%	236 100.0%

Chi-Square value=3.286; df=4; p=.511 (>=0.05)

While correlating entrepreneurial orientation with the size of the family it is found that there is not much difference in the orientation level of the tea growers belonging to different groups. Our data show that 58.7 per cent small size, 58.5 per cent Medium

size and 48.4 per cent of large families have high entrepreneurial orientation, which reveals that there is no significant relationship between entrepreneurial orientation and size of the family. It is also statistically proved insignificant (Table.6)

Table7: Entrepreneurial Orientation by Monthly Income of the Tea Grower

Entrepreneurial Orientation	Actual Monthly Income of the Tea Grower						Total
	Less Than 10,000	10,000-20,000	20,000-30,000	30,000-40,000	40,000-1,00000	100000 and above	
Low	10 27.8%	17 27.4%	13 27.7%	17 40.5%	9 21.4%	0 .0%	66 28.0%
Medium	1 2.8%	10 16.1%	8 17.0%	7 16.7%	8 19.0%	1 14.3%	35 14.8%
High	25 69.4%	35 56.5%	26 55.3%	18 42.9%	25 59.5%	6 85.7%	135 57.2%
Total	36 100.0%	62 100.0%	47 100.0%	42 100.0%	42 100.0%	7 100.0%	236 100.0%

Chi-Square value= 12.832; df=10; p=.233(>=0.05)

Table 7 reveals that 85.7 per cent tea growers with higher income that is above one lakh are more entrepreneurial than those with the lower income. The strong financial condition of the family helps tea growers to manage tea garden with efficiency while it is very difficult for marginal tea growers with the lower income to manage their family and tea garden.

Occupational and Professional Variables

Having correlating of socioeconomic background with entrepreneurial orientation, it is important to correlate entrepreneurial orientation with occupational and professional background of the tea growers such as years of working in the tea industry, previous job, a source of motivation, nature of help from government, reasons for becoming tea growers and training of tea cultivation etc.

Table 8: Entrepreneurial Orientation by Years of Working in Tea Industry

Entrepreneurial Orientation	Years of Working in Tea Industry					Total
	Less Than 10 Year	10-20 Years	21-30 Years	31-41 Years	41 and above Years	
Low	1 6.7%	21 33.3%	23 27.7%	15 30.6%	6 23.1%	66 28.0%
Medium	2 13.3%	8 12.7%	15 18.1%	8 16.3%	2 7.7%	35 14.8%
High	12 80.0%	34 54.0%	45 54.2%	26 53.1%	18 69.2%	135 57.2%
Total	15 100.0%	63 100.0%	83 100.0%	49 100.0%	26 100.0%	236 100.0%

Chi-Square value=7.612; df=8; p=.472 (>0.05)

Table 8 find out that 80 per cent of tea growers with working experience of less than ten years compared to the 69.2 per cent having more than forty-one years of experience have high entrepreneurial orientation. It may be attributed to the fact that the tea growers start cultivation takes high risk in terms of investment at the initial stage and keep in touch with the officials of the government

organizations like the tea board of India, technical office of tea and council of scientific and industrial research for their advice. The entrepreneurial orientation slows down once they establish their enterprise and it again rises and in this way they sustain keep their spirit and entrepreneurial orientation high.

Table 9: Entrepreneurial Orientation by Previous Job

Entrepreneurial Orientation	Previous Job				Total
	Public Sector	Private Sector	Self-employed	Tea Planter	
Low	35 28.5%	8 36.4%	18 34.0%	5 13.2%	66 28.0%
Medium	24 19.5%	1 4.5%	8 15.1%	2 5.3%	35 14.8%
High	64 52.0%	13 59.1%	27 50.9%	31 81.6%	135 57.2%
Total	123 100.0%	22 100.0%	53 100.0%	38 100.0%	236 100.0%

Chi-Square value=14.860; df=6; p=.21 (>0.05)

Table 9 shows the correlation of entrepreneurial orientation with previous job of the tea growers and it is found that 81.6 per cent tea growers' entrepreneurial orientation is high among those opted tea cultivation as the primary and devoted their whole life to tea cultivation rather than working in government or the private sector. Perhaps there was an emotional bonding of tea growers with their

parents and opt for family business. This is further supported by the reasons for becoming tea growers, 57 per cent and 66.7 per cent tea growers become an entrepreneur for livelihood and to support the family. Although, it was also found that around three fourth of the respondents also expressed the reason to become the entrepreneur in the tea growing industry to get social recognition (Table 11).

Table 10: Entrepreneurial Orientation by Source of Motivation

Entrepreneurial Orientation	Source of Motivation			Total
	Community	Family	Government	
Low	0 .0%	66 29.3%	0 .0%	66 28.0%
Medium	1 11.1%	34 15.1%	0 .0%	35 14.8%
High	8 88.9%	125 55.6%	2 100.0%	135 57.2%
Total	9 100.0%	225 100.0%	2 100.0%	236 100.0%

Chi-Square value=5.946; df=4; p=.203 (>0.05)

Table 10 shows the correlation of entrepreneurial orientation with source of motivation there is hardly any difference between the high entrepreneurial orientation of the tea growers with source of

motivation to work as tea growers. 55 per cent tea growers were motivated by family and 88.9 per cent from extended family and community members.

Table 11: Entrepreneurial Orientation by Reasons for Motivation to Become Tea Growers

Entrepreneurial Orientation	Reasons for Motivation to Become Tea Growers				Total
	To Earn Livelihood and Support Family	To Be Economically Independent	To Get Social Recognition and Prestige	For Other Reasons	
Low	58 27.1%	3 16.7%	1 12.5%	4 40.0%	63 26.7%
Medium	32 15.0%	3 16.7%	1 12.5%	2 20.0%	35 14.8%
High	124 57.9%	12 66.7%	6 75.0%	4 40.0%	134 56.7%
Total	214	18	8	10	232

Chi-Square value=3.634; df=8; p=.889 (>0.05)

While correlating entrepreneurial orientation with reasons for becoming tea grower's hardly find difference between the high entrepreneurial orientation of the tea growers. 57.9 per cent tea growers become tea growers to earn a livelihood and to support their family with the income of tea in comparison with 40 per cent tea growers with high entrepreneurial orientation becomes tea growers for

other reason that they were emotionally attached to the garden and don't want to abandon their tea garden where their parents work for their livelihood and totally depend on the income for tea production. So, it was difficult to find out the relationship of orientation with reason for becoming tea growers and it is also statistically proved insignificant relationship (Table11).

Table 12: Entrepreneurial Orientation by Nature of Help from Government

Entrepreneurial Orientation	Nature of Help				Total
	Financial	Idea	Technical	No Help	
Low	3 5.8%	50 23.8%	45 22.2%	16 61.5%	114
Medium	2 3.8%	30 14.3%	29 14.3%	5 19.2%	66
High	47 90.4%	130 61.9%	129 63.5%	5 19.2%	311
Total	52 100.0%	210 100.0%	203 100.0%	26 100.0%	491

Chi-Square value=97.016; df=8; p=.000 (<0.05)

Table 12 shows the correlation of entrepreneurial orientation to the nature of help from government find out that 90.4 per cent tea growers have high entrepreneurial orientation who receive financial help from the government compared to 19.2 per cent tea

growers who do not get help from the government. It is interesting to find that tea growers become more orientated when receive financial assistance to establish their entrepreneurial unit.

Table 13: Entrepreneurial Orientation by Training of Tea Cultivation

Entrepreneurial Orientation	Training of Tea Cultivation		Total
	Yes	No	
Low	3 3.8%	63 40.4%	66 28.0%
Medium	2 2.5%	33 21.2%	35 14.8%
High	75 93.8%	60 38.5%	135 57.2%
Total	80 100.0%	156 100.0%	236 100.0%

Chi-Square value=66.044; df=2; p=.000 (<0.05)

This is further supported by the fact that 93.8 per cent of those who received training in tea cultivation was high in entrepreneurial orientation. Tea board of India organizes training programs, seminars and study tours independently and sometimes with the collaboration of Technical office of Tea and Council of Scientific and Industrial Research for the upliftment of tea growers. Which resulted in high entrepreneurial orientation of tea growers and it also indicates that entrepreneurial orientation can be determined on the basis of training of tea cultivation, which is significantly correlated (Table 13).

Conclusion

The present paper describes the relationship between entrepreneurial orientation with socio-economic and occupational variables. The relationship of entrepreneurial orientation with age, it indicates that three-fifths of tea growers aged 61-75 were highly motivated because they wanted to maintain themselves active as an entrepreneur and opted for tea cultivation after their retirement from public service. 85.4 per cent tea growers from the scheduled caste category have a high entrepreneurial orientation, which is signified that underprivileged sections such as scheduled castes are becoming more orientated than the other backward classes. Tea growers who were educated up to post-graduates perceive high entrepreneurial orientation than graduates, and it was noted that education increased the level of entrepreneurial orientation. It was found that marital status did not determine the entrepreneurial orientation because the level of

orientation of divorced and widowers was same and it revealed that they can obtain emotional, psychological, or financial help from their family members which definitely encouraged tea growers. Most widowers as tea growers stated that they got support from their family members when needed, which motivated them to work harder for their enterprise.

Interestingly, while correlating entrepreneurial orientation with family types, there was no difference in the entrepreneurial orientation of respondents belonging to the joint and nuclear families. It was found that in the joint family tea growers residing with other household participants and unable to create decisions relevant to new plantation, procurement of fertilizer, employment of labour, sale of tea to local buyers or to tea cooperative which affect the orientation level of tea growers. Tea growers in the nuclear family were independent to make financial decisions related entrepreneurial unit and other relating to production. An equal number of tea growers from small (58.7 percent) and medium (58.5 percent) size family were more oriented than the large size family. The entrepreneurial orientation is not revealing any difference with size of family and unable to determined the level of significance. Tea growers with a family income above one lakh of rupees have a high entrepreneurial orientation compared to those having less than one lakh of income. Perhaps the healthy economic condition helps tea growers to handle tea garden without any problems, while it was hard for small tea growers to handle tea garden with low-

income. It suggests that high income tea growers of tea considerably increase the tea growers ' orientation level.

Furthermore, after correlating entrepreneurial orientation with socio-economic status, it was also correlated with occupational and industry related variables and find out that tea growers who have less than ten years working experience in the tea industry compared to forty-one and above years have high entrepreneurial orientation. It may be attributed to the fact that the tea growers start cultivation takes high risk in terms of investment at the initial stage and keep in touch with the officials of the government organizations like Tea Board of India, Technical Office of Tea and Council of Scientific and Industrial Research for their advice. The entrepreneurial orientation slows down once they established their enterprise and it again rises as they want to contribute to their enterprise. Although tea growers are small in size but keep their spirit and entrepreneurial orientation high. 81.6 per cent tea growers whose primary job was tea cultivation have high entrepreneurial orientation as compare to others who choose tea cultivation as a secondary job. Perhaps there was an emotional bonding of tea growers with their ancestral occupation and opt for family business. This is further supported by the reasons for becoming tea grower's where 57 per cent and 66.7 per cent tea growers expressed reasons to become entrepreneur were livelihood and to support the family. Although, it was also found that around three fourth of the respondents also expressed the reason to become the entrepreneur in the tea growing industry to get social recognition. More than half of tea growers are motivated by their family have high entrepreneurial orientation compared to the government. Only two tea growers have high entrepreneurial orientation, which shows that it is hard to evaluate the level of entrepreneurial orientation with the motivation to start working as tea growers.

Although, there are various government schemes available for tea growers related to plantation, rejuvenation of tea gardens in the form of

subsidies and 90.4 per cent tea growers who avail financial assistance from Government organizations (Tea Board of India and Technical Office of Tea) have high entrepreneurial orientation. It was also found that entrepreneurial assistance increases the orientation level of tea growers. Furthermore, those who received tea cultivation training have high entrepreneurial orientation compared to those who did not obtain tea cultivation training, which clearly shows that tea cultivation training raises the tea grower's entrepreneurial orientation which supports them in tea cultivation.

In the nutshell, the finding revealed that tea growers who received training of tea cultivation, their orientation level was high, therefore it is suggested that government should take the initiative to provide training regularly to tea growers which will enable them to enhance their entrepreneurial orientation.

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