



Challenges and best farm practices that affect entrepreneurship skills of farm operators in oriental Mindoro

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Abstract

Oriental Mindoro has an abundance of agricultural products and extraordinary landscapes that favor those emerging businessmen to venturing into the farm tourism business. This paper aimed to established exploratory data in determining the agripreneurship potentials of Oriental Mindoro province by identifying its essential key characteristics. Similarly, the study endeavored to find out the best farm practices and challenges to determine the capability of emerging farm tourism sites. The study area was concentrated in Oriental Mindoro for farmers venturing in farm tourism across municipalities of Oriental Mindoro.

Respondents of the study were the 15 farm-owners of selected farm tourism sites in Oriental Mindoro province which are being organized and are entrusted to the regional government offices such as the Agricultural Training Institute (ATI), Department of Agriculture (DA), and Department of Tourism (DOT) – Oriental Mindoro. Descriptive analysis was utilized to interpret qualitative data through coding analysis using a grounded theory approach. Results revealed that the major challenges in managing a farm tourism business in Oriental Mindoro are the lack of financial support and weak communication/marketing strategies. Further, the current best practices in managing a farm tourism business include the establishment of authentic farming, provision of educational experience, adequate public facilities, safe and accessible environment, good community relations, planned financial future, and excellent customer service.

Keywords: *agripreneurs, agripreneurship, farmers, farm tourism, tourism challenges, best farm practices*

Introduction

The agricultural entrepreneurship or what we called agripreneurship is one of the most profitable businesses in the industry regardless of lacking number of farmers who produce food products to be sent or transported into the market. Notwithstanding economic discrepancies from the start of the crises until today, farmers are not able to address those concerns due to lack of government action and response towards on how to implement certain program or structure that may boost the economic growth of a certain region. Agricultural industries may still lack equipment for the farmers and some are not able to address due to their extent of limitations by their associates. Their only obligation is to produce, organize and monitor agricultural products, but not the expectation of having a check and balances between the business owners and its employees. Farmers might have the skills and expertise on how to plant and produce a product, but still, there is no response on how would they able to modernize their equipment and tools, instead they are still making and producing on a manual process (Clark, 2013).

In agriculture industry, agricultural entrepreneurship is ought to be at the core of farming. If a farm can be considered a business, then certainly, the farmer must be equipped with entrepreneurial skills to manage the farm profitably and to surmount the challenges faced by the agricultural sector (Smith cited in Richards & Bulkley, 2017). Kahan (2012) emphasized that farmer-entrepreneurs should see their farms as a business and as a means of earning profits. They must be passionate about their farm business and are willing to take calculated risks to make their farms profitable and their businesses to grow.

Furthermore, tourism industry plays a vital part in the development of entrepreneurial skills of farmers with the emergence of the diversified tourism focusing on agritourism and currently known as farm tourism. Farm tourism is receiving a great deal of attention because of the many benefits it can bring to farmers cascading to tourists and the local communities. The industry has shown strong potential for growth, farm tourism integrates agriculture with pleasure and gives the benefit of agriculture and tourism activities to its stakeholders. Wicks and Merret (2003 cited by Cabalite, 2016) defines agritourism as a hybrid concept that merges elements of two complex industries—agriculture and travel/tourism. This opportunity gives way for farmers to embrace entrepreneurial spirit towards development of farm tourism. However, the extent of the entrepreneurial skills of farmers should be taken into consideration to achieve the benefits of a farm tourism.

Many people aspire to become an entrepreneur, but only some are successful in becoming one (Chengappa, 2017). Jamal Edwards, founder of SB.TV, an online youth-oriented broadcaster reckoned that an entrepreneur is 5% born with innate abilities and 95% made by life experiences. Therefore, it is essential to know the factors that contribute to the failure of entrepreneurs and how can entrepreneurs prevent making the same errors that other entrepreneurs make. A farmer, as an entrepreneur must have a will to make earnings. He must know that earnings are made in the market. An entrepreneurial farmer has the initiative, capability, and determination to take advantage of opportunities. A farmer, as an entrepreneur must have a clear vision in his mind of what may be possible and the future he desires. A farmer, as an entrepreneur should always seek for new opportunities. An entrepreneurial farmer must know that new opportunities are found in the market (Chengappa, 2017). Basically, what entrepreneurship entails includes: The building of skills in negotiation; building leadership skill; always ready to new product development; creative and innovative thinking and; exposure to technological innovation, (Kuratko, 2003).

The ability of the agricultural industry to be more productive and engage to a more dynamic economic activity is the strong integration of tourism as to agricultural industry. Government particularly in developing countries is seeking to increase business between the tourism industry and the agricultural and manufacturing sectors, in a bid to boost their economy, however, of course, one of the dimensions to be considered is the ability of farm operators to venture in tourism related businesses but their entrepreneurial characteristics must be defined and reviewed to have a successful integration.

The agricultural sector has been considered as one of the greatest contributors to the growth of the Philippines economy. The Farm Tourism Development Act of 2016 hopes to boost farm tourism at both the national and local levels through the various forms of assistance and incentives extended to the farmers. However, it was observed that many of the farmers involved and interested in farm tourism lack the necessary entrepreneurial skills to prosper in this field. They lack the suitable training and education which may end in problems in business operations, safety, and the environment. While there are efforts to train the farmers, the approach is typically top-down which may not be aligned to the realities at the grassroots level (officialgazette.gov.ph).

The Farm Tourism Development Act of 2016 set a farm tourism development board that will formulate plans and programs for the development and promotion of farm tourism

in the country and established the overall direction for the implementation of the Farm Tourism Strategic Action Plan. There are around 100 or more accredited and non-accredited farm-tourism sites in the Philippines, ranging from micro, small, medium and large sizes (<https://www.officialgazette.gov.ph/>).

Meanwhile, farm-tourism sites in the Philippines supports tourism and products of the area, principally those manufactured and produced by the rural industries. Farm tourism is the practice of attracting visitors and tourists to farm areas for production, educational, and recreational purposes that involves any agricultural or fishery-based operation or activity and may also provide a venue for outdoor recreation and accessible family outings (Farm Tourism Development Act of 2016).

Business-wise, one of the provinces in the Philippines is getting a niche in the agritourism sector. Oriental Mindoro province has the abundance of agricultural products and the climate is healthful and although in general, the land is rugged in character, the coastal and river valley plains offer extensive fertile irrigation lands. The abundance of such agricultural products favors those emerging businessmen venturing in the farm tourism business (nnc.gov.ph).

Yet, despite that there's a huge number of farm sites and farmers in the province, only few farm owners sustained a successful and profitable farm tourism' business mainly because entrepreneurial' challenges has put so much weight to farm owners in instituting a cost-effective farm tourism' business. Some researches classify the factors that make entrepreneurs failed, but most of them contain various reasons that lead up to the failure, which is not summarized into one focused research in a particular duration. The factors that cause most entrepreneurs to fail in establishing business are negative cash flow, lack of motivation, and poor organizational skills. Thus, this study will attempt to examine the factors that affect the entrepreneurial skills of farm operators in Oriental Mindoro to better understand the existing and potential skills needed for the province.

Objectives of the Study

Generally, this study aims to examine the entrepreneurial skills of farm operators in Oriental Mindoro to better understand the existing and potential skills needed for the province. Specifically, it sought to determine the challenges and current best practices in the operations of farm tourism business in Oriental Mindoro.

Methodology

This study used descriptive analysis to interpret qualitative data. Qualitatively, it used coding analysis using a grounded theory approach.

In this study, the participants were 15 farm-owners of the selected farm sites in Oriental Mindoro. The selection of the participants for field interviews was guided by the recommendations from agricultural leaders and tourism experts active in both farming and farm tourism business in Oriental Mindoro tourism' offices. They were the people behind the identification of farm tourism sites in the province. These individuals were the right respondents for this study since they have specific role in determining the potentials of a farm site. Likewise, they have been in the farming industry for at least a year or more and have been actively involved in all the process of farming. Their age ranges from 21 to 60 and above. The main criterion that was used to select the sample

population was the presence of farm tourism activities in the site. Furthermore, the 15 farm-owner participants were chosen through purposive sampling to guarantee that the fundamental data that the researchers' need will be given as needs be.

The researcher used a semi-structured interview constructed by the researcher since the study aims to collect exploratory information for the purpose of better understanding and to determine the challenges and best practices in farm tourism. The researcher selected principal resource person as experts in the field of farm tourism venture. These were the farm owners of the cited farm tourism sites.

Results and Discussion

This chapter presents the analysis of data gathered from the farm owners of selected farm sites in Oriental Mindoro.

Challenges and Best Practices in Farm Tourism Business

Developing the connection between agriculture and tourism is a significant opportunity for small developing island such as Oriental Mindoro. Hence, tourism in farms is a useful way to expand and diversify a farm; however, it doesn't work well in every situation due to the various challenges and practices that each farm site encounters and applies.

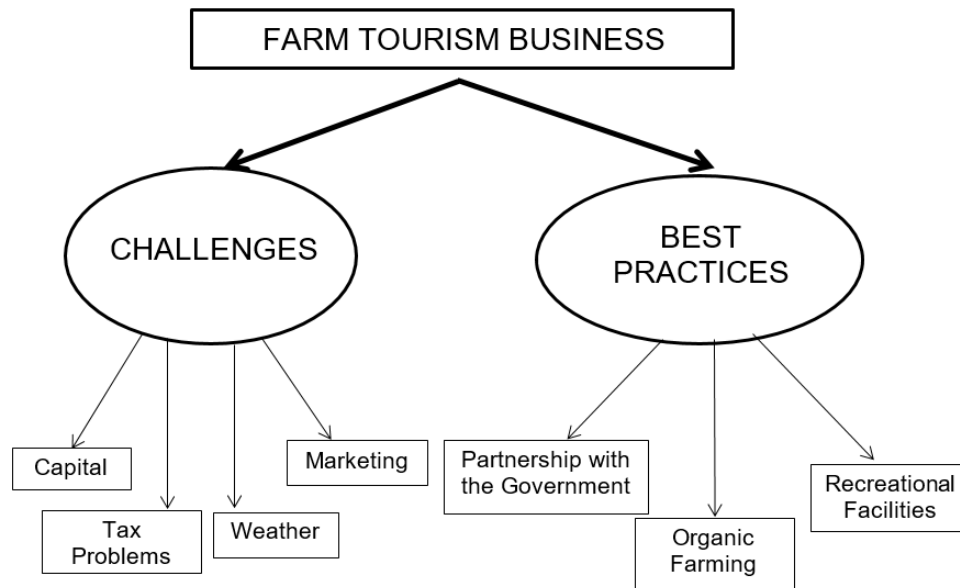


Fig 1; Challenges and Best Practices in Farm Tourism Business

Figure 1 outlines the challenges and best practices in farm tourism business operations through coding analysis using a grounded theory approach.

Based on the interview conducted by the researcher, many farmers are challenged with the government health and infrastructure regulations because these require investments that only large farms can afford and this adds as another financial problem to the small holder farmers. In addition, farmers have always been subject to the whims of the weather. When the rain is too little, the crops will fail to germinate and when there is too much rain, they will get drowned. Several of the respondents mentioned that among the major challenges include weak communication skill, lack of commercial approach of the small farmers, lack of capital to develop basic infrastructure, and lack of perfect knowledge about managing a farm tourism business.

A study of Pennsylvanian conducted by Ryan *et al* (2006) businesses listed property tax problems, high insurance & liability costs, and the limits of seasonality and weather as the most significant of the many problems farm operators faced. Similarly, A New Jersey study by Schiling *et al* (2006), found that marketing the business was the biggest problem, with liability concerns and dealing with customers. According to Holland and Wolfe in their study in California, dealing with visitors is also one of the biggest challenges in farm tourism businesses.

On the other hand, most farmers sited that among the best practices in farming include partnership with the government,

organic farming, and recreational activities. Farmers often get engaged with the tourist market by directly inviting tourists to their farms. These days, increasing numbers of tourists care about sustainability, organic produce and authentic local cuisine, and are willing to pay a premium for it.

This is in conformity with the study of Benke *et al* (2010)^[1] which stated that there is an increasing number of tourists preferring non-urban tourist's spots.

To sum up, farm tourism businesses have great potentials for farmers who are seeking to generate additional revenue, capitalize on underused assets, and educate the public.

Conclusions and Recommendations

It is concluded that the association between the government's agriculture and tourism regulating agencies has the potential to inject resources for both tourism and agriculture sector and create a new bigger opportunity to farm tourism business endeavor. There are significant numbers of farm practices and farmer entrepreneurial skills that are essential when venturing into a successful farm tourism business.

It is concluded that the major challenges in managing a farm tourism business are the lack of financial support and weak communication/marketing strategies. Further, the current best practices in managing a farm tourism business include the establishment of authentic farming, provision of educational experience, adequate public facilities, safe and accessible environment, good community relations, planned financial future, and excellent customer service.

Colleges and State Universities should integrate an agripreneurial course in the curriculum that shall engage all the Filipino students and not just the farmers alone and in order to bridge entrepreneurship skills gap. Likewise, government regulating agencies should come up with 100% accreditation programs both for the Department of Agriculture (DA) and Department of Tourism (DOT). Partnership between farm tourism businesses and cross-promotion between farm sites by constructing a farm tourism association or organization consist of farm tourism operators as well as other niche market industries is also encouraged. In addition, the government must provide optimum financial help for the farm tourism activities in Oriental Mindoro. Relative to this, agricultural and tourism departments of the province should give orientation about farm tourism business operations along with effective communication and marketing strategies and provide some innovative ideas regarding management of a farm tourism business. Further research can be conducted in the area not covered by the study.

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