Perceived Role of Agricultural Extension Services in Promoting Cooperative Entrepreneurship among Farmers in Ahiazu Mbaise Local Government Area, IMO State

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Abstract— Cooperative entrepreneurship avails participating entrepreneurs the opportunity to combine different skills and competencies to set up an enterprise. This study assessed the perceived roles of agricultural extension services in promoting cooperative entrepreneurship among farmers in Ahiazu Mbaise Local Government Area, Imo State. Data was collected from 120 respondents with the aid of a well-structured questionnaire. Results revealed that farmers in the study area were engaged in different entrepreneurial activities. They perceived the roles of agricultural extension services as effective in promoting cooperative entrepreneurship with the provision of vocational/skill training; sanitation activities; provision of storage/processing facilities; procurement of agricultural input and information on credit sources. The perceived constraints militating against extension service delivery to the respondents were inadequate finding; lack of technical support and poor infrastructure in communities. It was recommended that government and non-governmental organizations should provide adequate funding and technical support to extension personnel to enable them deliver agricultural extension services geared at promoting cooperative entrepreneurship to farmers.

Keywords— Role, Agricultural Extension Services, Cooperative, Entrepreneurship, Imo State.

I. INTRODUCTION

Given the prevailing economic downturn in Nigeria and the high rate of unemployment among the potential labour force, entrepreneurship is a veritable tool to reduce poverty, especially in rural communities where over 70% are farmers. The development of entrepreneurship among the rural areas is a vital tool for achieving economic growth (Mba, 2014). To encourage rural farmers to harness economic potentials that may be available to them within their locality, they need to engage in cooperative entrepreneurship. Cooperatives are sustainable way of achieving equitable distribution of wealth. Cooperative entrepreneurship is a form of joint entrepreneurship. It involves more than one person and the participating entrepreneurs have the opportunity of combining different skills and competencies to set up an enterprise (McDonnell, MacKnight and Donnelly, 2012). Cooperatives are being considered useful mechanisms to manage risk for members in agriculture and other sectors, help wage earners save for the future through a monthly contribution that is deducted from source, acquire what might be difficult for individuals to own by their efforts, strengthen the communities in which they operate through job provision and payment of local taxes (Dogarawa, 2005). Agricultural cooperatives play an important role in supporting men and women smallholder farmers and marginalized groups by creating sustainable rural employment. Cooperatives offer market opportunities to smallholder farmers as well as provides them with services such as better training in resource management, better access to information, technologies, innovations and extension services (FAO, 2011). Communal cooperative plays a major role in the collection, preservation and dissemination of technical and cultural knowledge (Odubanjo, 2010). Extension is a process aimed to teach both the rural and urban clientele how to determine their problems and be

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able to rise to such problems using their own resources (Asiabaka, 2002). Kristin (2009) defined agricultural extension as the entire sets of organizations that support people engaged in agricultural production and facilitate their efforts to solve problems; link to markets and other players in the agricultural value chain; and obtain information, skills and technologies to improve their livelihoods. According to this definition, extension goes beyond the traditional view of extension as technology transfer. One of extension’s major activities over time has been adult and non-formal education (Agwu and Irohibe, 2013). This role of agricultural extension service is important today in promoting cooperative entrepreneurship among farmers.

Agricultural extension service encompasses the operational process, structure and facilities tailored towards achieving a voluntary out of school education system of transferring useful information and tangible improved farm technologies from their source to affected population. It is a service or system which assists farm people, through educational procedures, in improving farming methods and techniques, increasing production efficiency and income, improving their level of living and uplifting the social and educational standards of rural life (Maunnder 2009). Extension plays a very vital role in promoting the development of business plans of entrepreneurs. Extension specialist can assist entrepreneurs in three ways which includes understanding the essential components of a business plan, pro-forma financial analysis and legal issues that affect the industry, operations, cost, market access and future opportunities (Brodsky, 2009). Extension specialist can assist farmers to develop budgets and analyze the cost and benefits of various enterprises.

Increased agricultural productivity at the rural farm level can only be achieved through the provision of agricultural extension services to resource poor of farmers. This will in turn improve the overall quality of life in the rural areas where farmers are predominately domiciled. The need for cooperative entrepreneurship as a sustainable way to create wealth among rural farmers calls for agricultural extension service delivery to these farmers to create awareness on cooperative entrepreneurship as well as educate them on the benefits of joining/forming one. This study therefore assessed the perceived role of agricultural extension services in promoting cooperative entrepreneurship among farmers in Ahiazu Mbaire Local Government Area, Imo State. The specific objectives were to; describe the socio-economic characteristics of the respondents, determine entrepreneurial activities engaged by the respondents; ascertain the perceived roles of agricultural extension in promoting cooperative entrepreneurship as well as to identify the perceived constraints to the discharge of these roles by extension agents.

II. METHODOLOGY

This study was carried out in Ahiazu Mbaire Local Government Area of Imo State. Ahiazu Mbaire Local Government Area is one of the 27 local governments that make up Imo State. It shares common boundaries with Ehime Mbaire Local Government Area on the north, Aboh Mbaire Local Government Council on the South and on the West and east are Ikeduru and Azi Mbaire Local Government Council respectively (IMSG 2009). Ahiazu Mbaire is made up of 27 autonomous communities which includes Amuzi, Umuokirika, Eziam, Mpaam, Okirikama, Ihieteforukwu, Umuocheze. There are two distinct season namely rainy and dry seasons, the annual rainfall is between 26c and 28c and relative humidity is about 98%.

The people of Ahiazu Mbaire are predominantly subsistence farmers. Crops cultivated in the area includes yam, cassava, vegetables, maize, plantain, cocoyam, banana, groundnut etc. Livestock’s reared are goat, sheep, pig and poultry.

A multi-stage sampling technique was used to select respondents for the study. The first stage involved the selection of twelve (12) communities from Ahiazu Mbaire Local Government Area. The second stage involves the selection of two (2) villages from each of the twelve (12) communities to give a total of (24) villages. The third stage involves the selection of five (5) respondents from each of the 24 villages, to give a total sample size of one hundred and twenty (120) respondents. Primary data was collected for the study using well structured questionnaire. Data were analyzed using both descriptive and inferential statistics.

III. RESULTS AND DISCUSSION

3.1 Socio-economic characteristics of the respondents

The socio-economic characteristics of the respondents investigated were age, sex, household size, level of education, monthly income and membership of cooperative organization. The results of the socio-economic characteristics of the respondents is presented in Table 1. The distribution of the respondents by sex shows that most of the respondents were male (60.0%) with a mean age of 43 years. About 50% were married, and a majority (95%) had formal education. This implies that majority of the respondent were literate. Asiabaka (2017) opines that education remains a vital tool for acceptance of technology by respondents. The mean household size was 8 persons, implying that the household size is relatively large. The mean years of farming experience was 5 years. Entrepreneurs with business experience are better informed on the intricacies of establishing an enterprise.
Hence, their involvement in co-operatives to enable them pool their resources together. Experiences provide veritable information that could be an asset to managing a co-operative enterprise. The average monthly income was ₦39,579.13. It can be concluded that majority of the respondents were low income earners since their earning is below the poverty line of $1 a day (World Bank, 2006). Majority, 96.7 percent of the respondents belong to a co-operative organization. Membership in formal organization satisfies the social needs of the respondents. They could engage in economics of sealed by pooling their resources together.

Table 1: Socio-economic characteristics of the respondents

| Socio-economic characteristics | Frequency | Percentage | Mean |
|--------------------------------|-----------|------------|------|
| **Sex**                        |           |            |      |
| Male                           | 72        | 60.00      |      |
| Female                         | 48        | 40.00      |      |
| **Age**                        |           |            | 43   |
| 20 - 29                        | 22        | 18.34      |      |
| 30 - 39                        | 21        | 17.50      |      |
| 40 - 49                        | 30        | 25.00      |      |
| 50 - 59                        | 40        | 33.33      |      |
| 60 - 69                        | 7         | 5.83       |      |
| **Marital status**             |           |            |      |
| Single                         | 35        | 29.17      |      |
| Married                        | 60        | 50.00      |      |
| Divorced                       | 5         | 4.16       |      |
| Separated                      | 20        | 16.67      |      |
| **Level of education**         |           |            |      |
| No formal education            | 6         | 5.00       |      |
| Primary education              | 24        | 20.00      |      |
| Secondary education            | 56        | 46.67      |      |
| Tertiary education             | 34        | 28.33      |      |
| **Household Size**             |           |            |      |
| 1 - 3                          | 7         | 5.83       | 8    |
| 4 - 6                          | 35        | 29.17      | persons |
| 7 - 9                          | 44        | 36.67      |      |
| 10 - 12                        | 31        | 25.83      |      |
| 13 - 15                        | 3         | 2.50       | 8    |
| **Business experience**        |           |            | 5    |
| 1-5                            | 43        | 35.8       | years |
| 6 - 10                         | 38        | 31.7       |      |
| 11 - 15                        | 22        | 18.3       |      |
| 16 - 20                        | 17        | 14.2       |      |
| **Monthly income**             |           |            |      |
| 11, 000 - 20, 000              | 15        |            |      |
| 21, 000 – 30, 000              | 19        |            |      |
| 31, 000 – 40, 000              | 28        |            |      |
| 41, 000 – 50, 000              | 27        |            |      |
| 51, 000 – 60, 000              | 21        |            |      |
| 61, 000 - above                | 10        |            | ₦39, 579.13 |
| Member                         | 116       | 96.7       |      |
| Non-member                     | 4         | 3.3        |      |

Source: Own computation from field survey data, 2017.

3.2 Farmers’ involvement in entrepreneurial activities

Table 2 shows the farmers involvement in entrepreneurial activities in the study area. About 70.0% of the farmers engage in poultry production with about 68.3% owning oil palm plantation. Cassava processing accounts for
65.8% and piggery production 56.7%. From the results obtained, the farmers were already involved in entrepreneurial activities and need to be educated on how to pool their resources together to form cooperative enterprises that would be of mutual benefit to the cooperators.

Table 2: Involvement of farmers in entrepreneurial activities

| Entrepreneurial Activity                  | Frequency | Percentage** |
|------------------------------------------|-----------|--------------|
| Oil Palm Plantation                      | 82        | 68.3         |
| Plantain/Banana Plantation              | 42        | 35.0         |
| Pineapple Orchard                       | 38        | 31.7         |
| Cassava Production                      | 78        | 65.0         |
| Snailry (Heliculture)                   | 28        | 23.3         |
| Poultry Production                      | 84        | 70.0         |
| Melon Production                        | 41        | 34.2         |
| Fishery Production                      | 53        | 44.2         |
| Warehousing                             | 10        | 8.3          |
| Livestock Feed Production               | 65        | 54.2         |
| Groundnut Processing                     | 8         | 6.7          |
| Cassava Processing                      | 79        | 65.8         |
| Maize Processing                        | 72        | 60.0         |
| Vegetable (Telferia Occidentalis) Production | 75 | 62.5 |

** Multiple responses

Source: Own computation from field survey data, 2017.

3.3 Perceived roles of agricultural extension service in promoting co-operative entrepreneurship activities

The perception of the respondents on the role of agricultural extension in promoting cooperative entrepreneurship is presented in Table 3. From the results, five activities were perceived as effective by the farmers using the discriminating index of 2.5 for acceptance and rejection of items. Activities with mean score above the discriminating index were: vocational/Skill training; sanitation activities; provision of storage/processing facilities; procurement of agricultural input and information on credit sources. This implies that the farmers perceived that when extension agents perform these roles in the study area, it will be effective to promote cooperative entrepreneurship in the study area.

Table 3: Perceived roles of agricultural extension in promoting co-operative entrepreneurship

| Extension Activities                      | Very Effective | Effective | Fairly Effective | Not Effective | Mean | Remark     |
|------------------------------------------|----------------|-----------|------------------|---------------|------|------------|
| Rural feeder roads                       | 14             | 11.7      | 22               | 18.3          | 3.3  | 80         | 66.7      | 1.76 | Not effective |
| Recreation centers                      | 2              | 1.7       | 3                | 2.5           | 0    | 115        | 95.8      | 1.11 | Not effective |
| Acquisition of capital equipment         | 6              | 5.0       | 10               | 8.3           | 14   | 11.7       | 90         | 75.0 | 1.43 | Not effective |
| Vocational/Skill training                | 28             | 23.3      | 46               | 38.3          | 40   | 33.3       | 6          | 5.0  | 2.8  | Effective    |
| Sanitation activities                    | 48             | 4.0       | 60               | 50.0          | 10   | 8.3        | 2          | 1.7  | 3.29 | Effective    |
| Borehole Construction                     | 28             | 23.3      | 32               | 26.7          | 8    | 6.7        | 52         | 43.3 | 2.29 | Not effective |
| Provision of storage/Processing facilities | 56           | 46.7      | 58               | 48.3          | 5    | 4.2        | 1          | 0.8  | 3.4  | Effective    |
| Procurement of agricultural input sources | 52            | 43.3      | 60               | 50.0          | 8    | 6.7        | 0          | 0.0  | 3.36 | Effective    |
| Information on Credit                    | 58             | 48.3      | 47               | 39.2          | 10   | 8.3        | 5          | 4.2  | 3.32 | Effective    |

Source: Own computation from field survey data, 2017.
3.4 Perceived constraints of extension agents in promoting cooperative entrepreneurship

Table 4 shows the distribution of the respondents according to the perceived constraints of agricultural extension in providing services that would promote cooperative entrepreneurship among the farmers in the study area. The perceived constraints were ranked according to the perceived extent of effect on agricultural extension service delivery to the farmers. Inadequate finding (68.3%) was ranked first. This implies that inadequate funds to the agricultural extension personnel would constrain them from providing adequate extension service to promote cooperative entrepreneurship development among the farmers in Ahiazu Mbaise Local Government Area Imo State. Lack of technical support and poor infrastructure in communities were ranked second and third. So to encourage easy work and effectiveness of agricultural extension activities government and non-governmental organization should tackle these constraints.

| Perceived constraints                                      | Frequency | Percentage ** | Rank |
|------------------------------------------------------------|-----------|---------------|------|
| Inadequate funding                                         | 82        | 68.3          | 1st  |
| Lack of technical support                                  | 73        | 60.8          | 2nd  |
| Poor transportation                                        | 72        | 60.0          | 3rd  |
| Poor infrastructure in communities                         | 72        | 60.0          | 3rd  |
| Weak/poor linkage between extension and general knowledge institution | 62        | 51.6          | 5th  |
| Fear of failure                                            | 60        | 50.0          | 6th  |
| Lack of training opportunities                              | 58        | 48.3          | 7th  |
| Inadequate staffing                                        | 51        | 42.5          | 8th  |
| Poor management of resources                               | 50        | 41.7          | 9th  |
| Poor working environment                                   | 42        | 35.0          | 10th |
| Government policies                                        | 35        | 29.2          | 11th |
| Language barrier                                           | 25        | 20.8          | 12th |
| Socio-cultural factors                                     | 20        | 16.7          | 13th |
| Inadequate in-service training                             | 16        | 13.3          | 14th |

** Multiple responses
Source: Own computation from field survey data, 2017.

IV. CONCLUSION AND RECOMMENDATION

The perceived roles of agricultural extension services in promoting cooperative entrepreneurship among farmers in the study area includes the provision of vocational/skill training; sanitation activities; provision of storage/processing facilities; procurement of agricultural input and information on credit sources. It was recommended that government and non-governmental organizations should provide adequate funding and technical support to extension personnel to enable them deliver agricultural extension services geared at promoting cooperative entrepreneurship to farmers.

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