

The farmer as a main factor of structural change in rural area's

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Craftsman!!

Manager !!

Entrepreneur???

 **WAGENINGENUR**
For quality of life

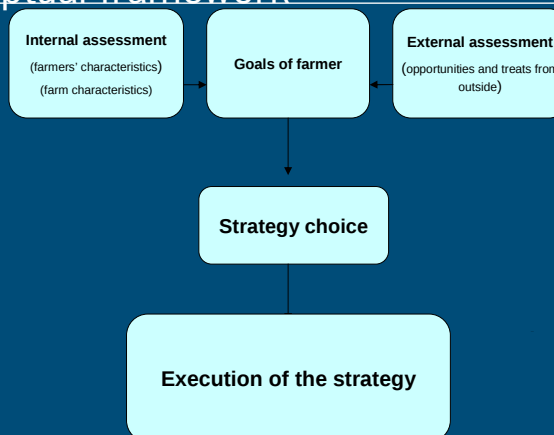
Objective

- To get insight into the entrepreneurial characteristics of Slovenian dairy farmers

Research question

1. What are the main characteristics of the Slovenian dairy farms and farmers?
2. How are external factors that might impact the development of the dairy sector perceived by the Slovenian dairy farmers?
3. What is the relation between the identified internal and external factors and the *present farm structure and future strategies and plans* of Slovenian dairy farmers.

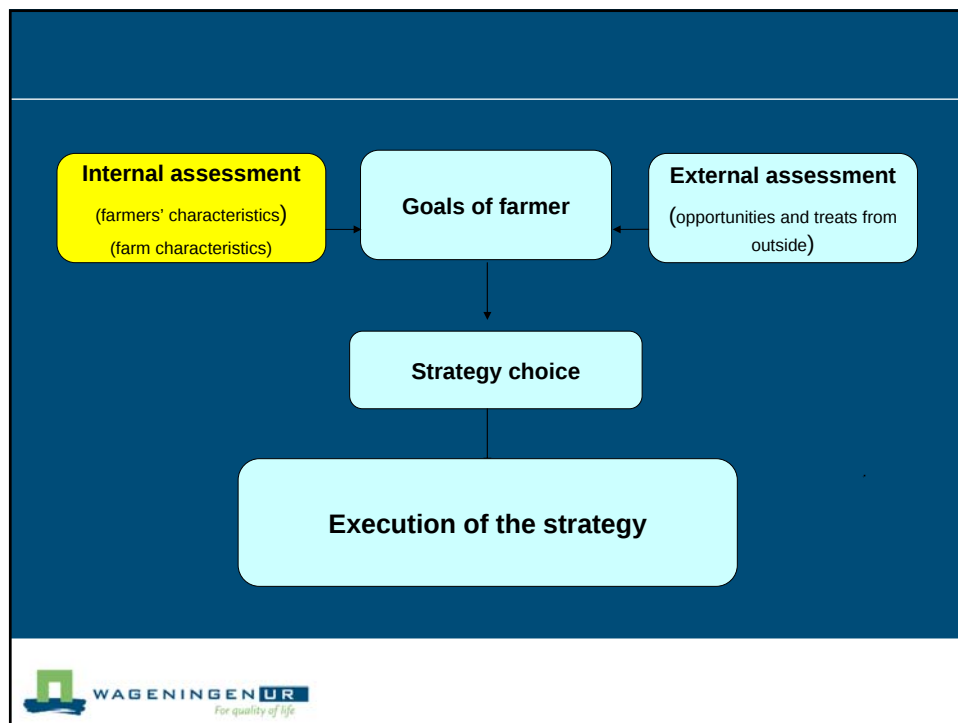
Conceptual framework



- Based on the strategic management concept
 - Modified after David ,2009

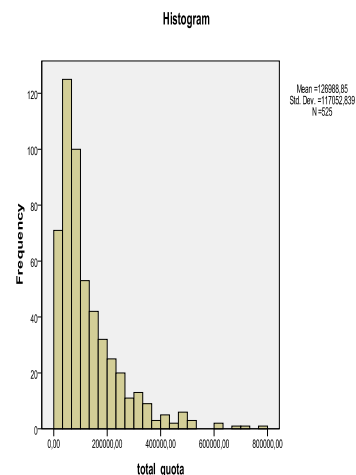
Data collection and processing

- Questionnaire
 - background data
 - farmer's goals (for example: "As an entrepreneur my goals are: To realize an income as high as possible.").
 - attitudes, perceived behavioral control and subjective norms
 - the external assessment by the farmers. opinion of social, technical, environmental and political developments
 - the future strategies (e.g. consolidation, expansion or diversification).
- Data reduction by Factor analysis
- Multiple linear regression



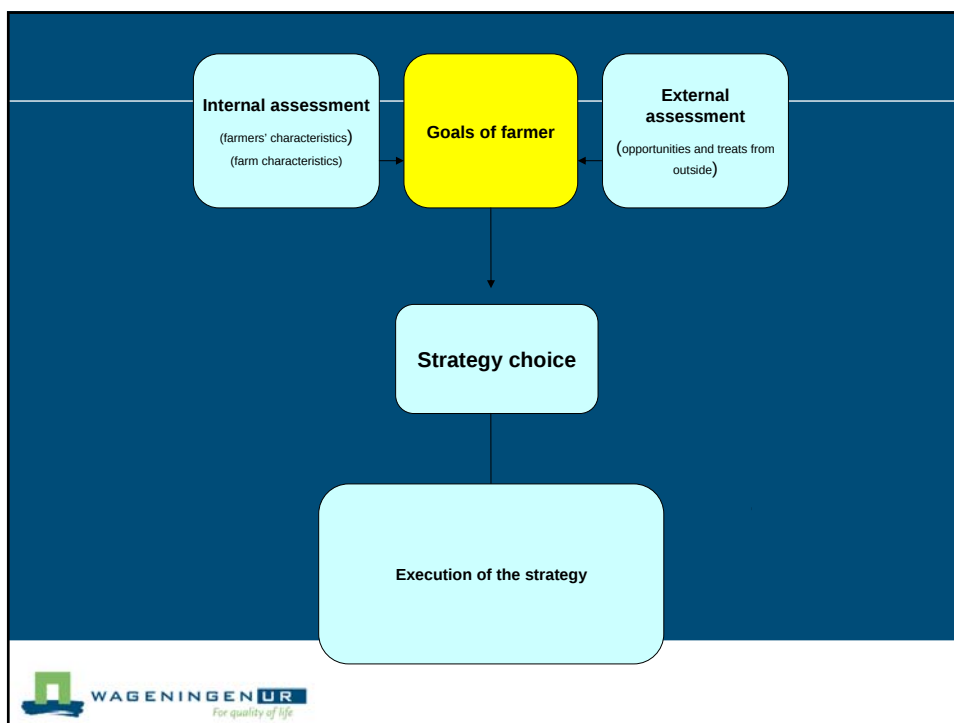
Farm characteristics

	Farm location				
	Total Slov. (n=505)	SD	Flat area (n=340)	Hills and mountains area (n=165)	Difference
A+D milk quota (*000 kg) ¹	127	117	139	108	**
No. of cows	21	15	23	19	NS
ha grass	13	13	12	17	*
ha maize	5	3.5	6	2	**



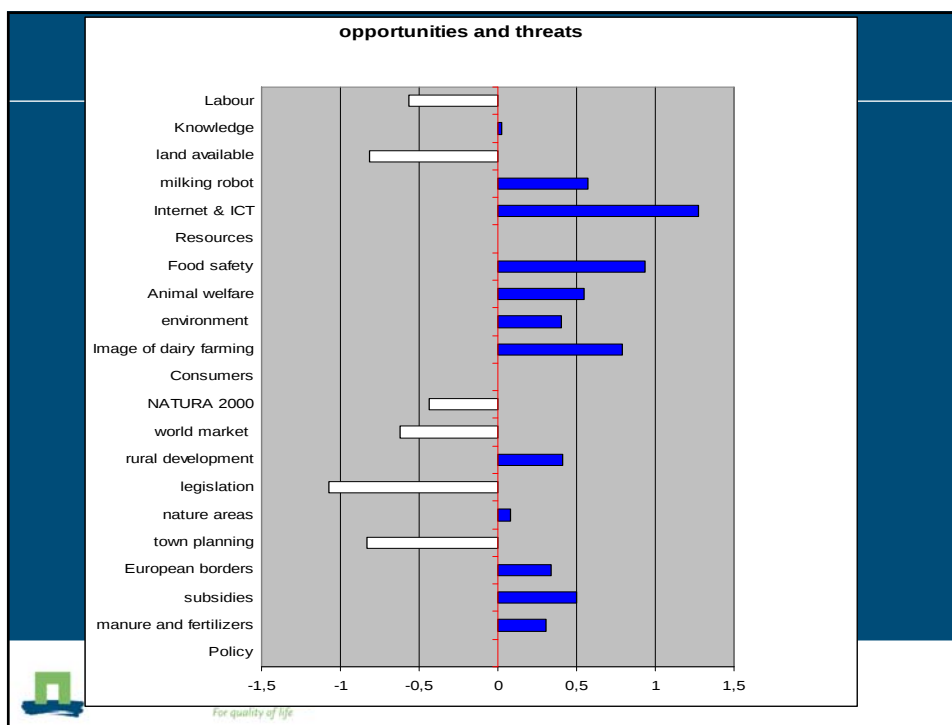
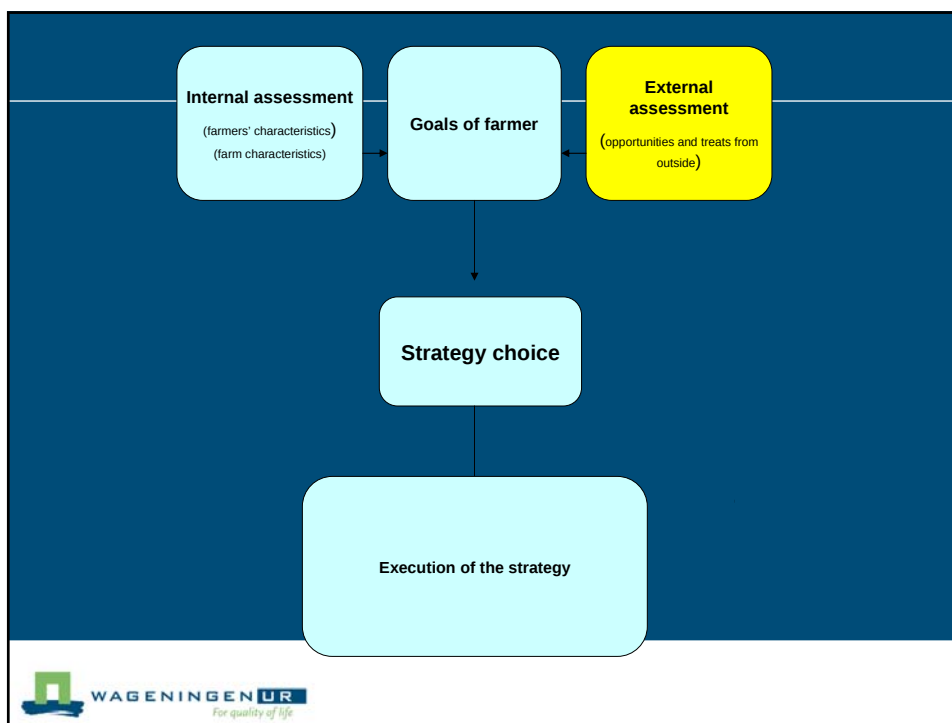
Personal characteristics

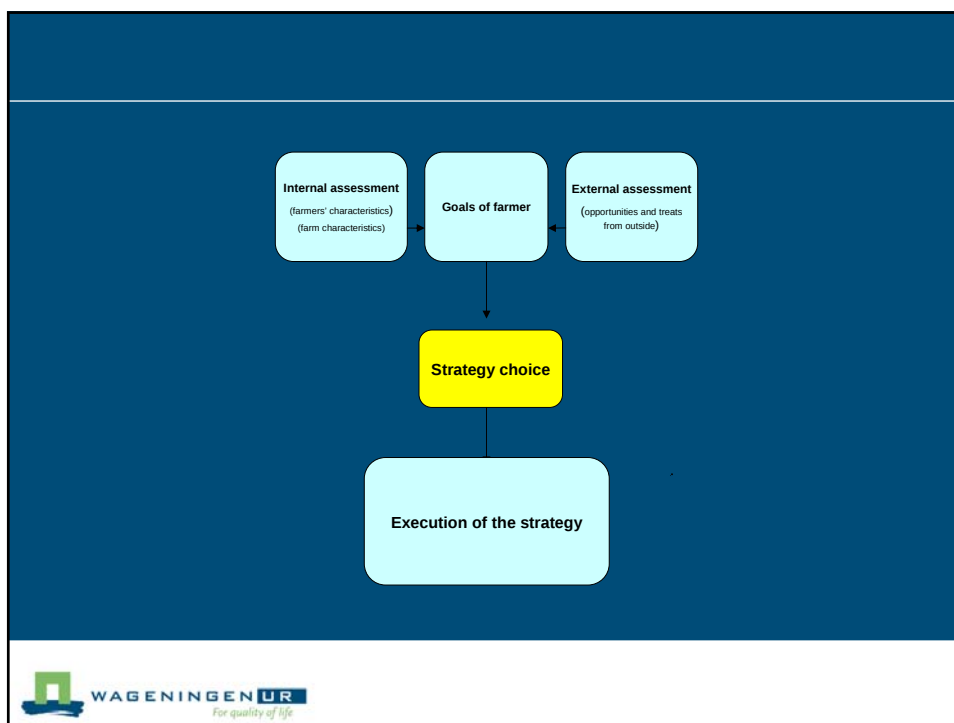
- Factor 1 Entrepreneurship
- Factor 2 Information seeking
- Factor 3 Risk averseness
- Factor 4 Planning
- Factor 5 Diversification
- Factor 6 External locus of control
- Factor 7 Pessimism



Identified goals

- Factor 1 Dairy-farming as a profession
- Factor 2 Take society into consideration
- Factor 3 Farming as business
- Factor 4 Satisfaction and continuity

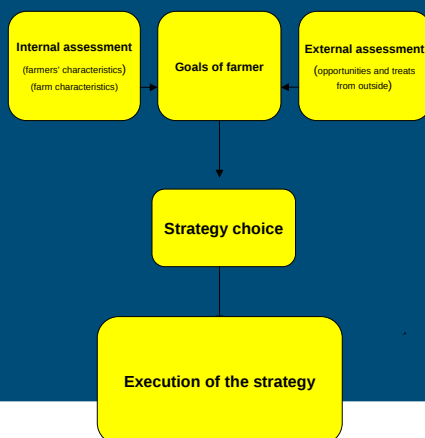




Strategy choice

- Factor 1 modern family farm
- Factor 2 diversification
- Factor 3 low input farm

Relation between the identified internal and external factors and the *present farm structure and future strategies and plans* of Slovenian dairy farmers.



Relation between identified factors: Future strategy

Table 2 Final model of the linear regression analysis between the expansion plans of farmers and farmers goals, preferred farm type, the farmers personal characteristic and his/her perception of opportunities and threats¹

	Standardized Coefficients
Modern family farm	0,17
Information searching	0,14
Pessimism	-0,20
Risk averseness	-0,15

Dependent Variable: expansion yes / no

¹ R² is 11% Only significant relations are displayed.

Relation between identified factors: Present milk quota

Table 3 Final model of the linear regression analysis between **the present farm size** (Log milk quota) and **farmers goals, preferred farm type, the farmers personal characteristic and his/her perception of opportunities and threats**¹

	Standardized Coefficients
Entrepreneurship	0,20
Information searching	0,14
Being a farmer	-0,10
Low input farming	-0,19
Diversification	-0,20
Risk averseness	-0,25
External locus of control	-0,15
Limited resources	-0,15
Aversion towards legislation	-0,11

¹ Dependent = log milk quota; R^2 of this final model = 43%; only significant relations are displayed.

Conclusions

- There is large variation of dairy farms in Slovenia in farm size, milk quota and natural circumstances in the sample of farms studied.
- A large fraction of the Slovenian farmers want to expand:
 - better entrepreneurs have larger farms
 - large fraction of the farmers have to improve their entrepreneurial characteristics to meet the future challenges.

Implications

- For research: .
 - the presented approach can contribute to getting insight into entrepreneurial behavior of farmers
- For policy makers in Slovenia:
 - since most of the investigated dairy farmers want to focus on dairy farming this holds a challenge if policy is emphasizing diversification
- For extension workers:
 - dairy farmers are dairy farmers (whether in the Netherlands or Slovenia or anywhere else?) → developed tools can be used in several countries



Acknowledgements

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Thank you for your attention

Questions???

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