

Business orientations among poorer dry zone farmers in Sri Lanka

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Commercialization of the agricultural sector through encouraging farmers to diversify from paddy to high value agriculture has been identified as a viable strategy for up-scaling the socio-economic status of rural farmers, the success of which is largely dependant upon the business orientation of them. This study attempted to measure the business orientation of the farmers, i.e. the extent to which they are production as opposed to market oriented. The study was conducted among 897 farmers who have been identified by a leading INGO of the country as beneficiaries in its development interventions, mainly aimed at improving their agricultural commercial orientation. The routine decision criteria adopted by farmers that were devoid of market considerations were considered as production orientated whereas the corresponding decisions that deviated from routine production orientation towards greater integration of market considerations in their production decisions were considered as market orientated. A conceptual framework was developed based on existing literature and scores were assigned from a scale varying from 1 to 6 for both orientations representing the number of production/marketing criteria considered by each farmer in his/her production decision making. Findings revealed that the degree of production or market orientation varies with the type of crop cultivated where production decisions related to both paddy and vegetables were more aligned towards production orientation. When it came to other field crops, it was evident that farmers were slightly market orientated in their production decisions. All in all the findings were indicative of the fact that poorer segments of dry zone farming community are largely production orientated with a little deviation towards market orientations with commercial crops. This brings about the need for placing a greater emphasis on inculcating a market oriented mind sets among poorer communities for making rural development initiatives a reality.

Key words: Rural farmers, Diversification, Production orientation, Market orientation

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