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3 **Entrepreneurial Opportunities and Role of**
4 **Capability Approach in Agribusiness: Evidence**
5 **from Sri Lanka**
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9

10 **ABSTRACT**
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Development of agribusiness sector entrepreneurship is one of the critical pathways to obtain high economic growth, poverty reduction and environmental protection in developing countries. Gaps remain towards understanding the entrepreneurial behaviour in agribusiness in developing countries. This is driven for research opportunity to underlies the formation of farmers' entrepreneurial behaviour, with a particular focus on the development of farm entrepreneurship in developing context. Drawing upon the capability approach, the study examines what capabilities influence to explore opportunities and implement them into action and how those identified capabilities influence entrepreneurship growth in agribusiness sector in Sri Lanka. The study adopted an inductive qualitative case study approach to gathering data from the farmers. The analysis produced 17 actions denoted by the selected farmers. These 17 actions were then related to 04 pillars of capabilities conceptualized by literature; organizational learning, communication, sharing and exchanging knowledge and technological capabilities. Drawing upon the capability approach to explore capabilities that require to pursue and develop entrepreneurial opportunities, this study is offered a new perspective on entrepreneurship theory. The study was the cross-sectional and it was only about three cases, signifying a need to include other agribusiness sectors for further contextualizing the results.

12
13 **Keywords:** Entrepreneurial Opportunity, Capability Approach, Agribusiness,
14 Developing Context, Qualitative Study

15
16 **1. INTRODUCTION**
17

18 Entrepreneurship is one of the active driving forces to combat with the challenges of ongoing
19 market globalisation and uncertainties [1, 2]. Entrepreneurship has therefore been
20 recommended as a possible path to move up the socioeconomic ladder [3, 4] through the
21 transformational role that entrepreneur plays in creating economic values [5]. Accordingly,
22 entrepreneurialism has become a critical aspect in the agricultural sector since the society
23 as of today owes much to agriculture. As the oldest and the most extended form of
24 economic endeavour of human society, agriculture is not usually viewed as an
25 entrepreneurial sector [6, 7]. In developed context, literature offers case studies,
26 circumstantial shreds of evidence and empirical investigations to understand
27 entrepreneurship in agricultural sectors [8, 9, 10, 11]. However, investigations on farmers'
28 entrepreneurial behaviour are scarce in developing context [12, 13, 7, 14]. This might be
29 occurred due to the negative image of agriculture in developing countries where agriculture
30 is generally viewed as a non-innovative sector [6]). As economic changes, the agriculture
31 farmers have to be focused on innovation, risk taking and the leadership.
32

33 It is arguable that the development of agriculture sector entrepreneurship is one of the
34 critical pathways to obtain high economic growth, poverty reduction and environmental
35 protection in developing countries [6]. Despite the importance of the emergence of farm
36 entrepreneurs, gaps remain towards understanding the entrepreneurial behaviour of farmers
37 in developing countries. This is driven for research opportunity to underlies the formation of
38 farmers' entrepreneurial behaviour, with a particular focus on the development of farm
39 entrepreneurship in developing context. As Roscoe [15] indicated, an opportunity has
40 become the central concept in entrepreneurship. Entrepreneurs simply have better 'eyes'
41 than the rest of others. The essence of entrepreneurship is to identify and exploit
42 entrepreneurial opportunities which others do not see [16]. This is what Sarasvathy [17, 18]
43 specifically mentioned where the entrepreneur is responsive, always alert to the
44 opportunities presented by changing resources, seen regarding human capital and social
45 relationship: who I am; what I know; and whom I know. According to Sarasvathy, the
46 entrepreneur must be reactive to all of these variables, and new ventures/process/product
47 are shaped accordingly. Entrepreneurs build new ventures from the resources available to
48 them [15].
49

50 Hence, it is more important to explore opportunities and implement them into action to build
51 up the competitive urge of entrepreneurs in farming. The capability approach focuses on the
52 functioning or living conditions of individuals, which are defined as what people can or
53 cannot do or what they can or cannot be [19]). Further, the approach is more concerned with
54 the ability or capacity of persons to achieve freedom of development [20] in the sense of
55 entrepreneurial development.
56

57 As far as concerning the prior studies in entrepreneurship, majority of studies have
58 examined what entrepreneurs do in the complex economic arenas. However, a small
59 number of studies have examined the potential of the individual to pursue entrepreneurial
60 opportunities [21] and how they pursued those opportunities into the growth of firms. The
61 present study thus attempts to address this research gap by drawing direct attention into
62 capability approach to examine what capabilities influence to explore opportunities and
63 implement them into action and how those identified capabilities influence entrepreneurship
64 growth in agribusiness sector where research is scarce in this sector.
65

66 As Roscoe [15] indicated, an opportunity has become the central concept in
67 entrepreneurship. In here, authors argued that entrepreneurship focuses on the centred
68 opportunity which addresses why, when and how opportunities come into existence; why,
69 when and how some people and not others discover and exploit opportunities; and why,
70 when and how different actions are used to exploit opportunities. This is what Sarasvathy
71 [17, 18] specifically mentioned where the entrepreneur is responsive, always alert to the
72 opportunities presented by changing resources, seen regarding human capital and social
73 relationship: who I am; what I know; and whom I know. According to Sarasvathy, the
74 entrepreneur must be reactive to all of these variables, and new ventures/process/product
75 are shaped accordingly. Acknowledging that, McElwee [22] identified two categories of
76 farmers namely farmer as an entrepreneur is innovative and opportunity-driven and
77 individuals are motivated by pull factors (opportunities).
78

79 The development of farm entrepreneurship is necessary since entrepreneurial farmers are
80 those who are driven by growth, innovation, profit or the desire to improve the condition of
81 their family's social standing [23]. Hence, it is more important to explore opportunities and
82 implement them into action to build up the competitive urge of entrepreneurs in farming.
83 Thus, this study employs the capability approach [24] to examine what capabilities influence
84 to explore opportunities and implement them into action and how those identified capabilities
85 influence farmer entrepreneurship growth. The capability approach focuses on the
86 functioning or living conditions of individuals, which are defined as what people can or

87 cannot do or what they can or cannot be [19]. Further, the approach is more concerned with
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94 attempts to address this research gap by drawing direct attention into capability approach to
95 examine what capabilities influence to explore opportunities and implement them into action
96 and how those identified capabilities influence entrepreneurship growth in agribusiness
97 sector where research is scarce in this sector. Drawing upon the capability approach to
98 explore capabilities have to pursue and develop entrepreneurial opportunities, this study is
99 offered a new perspective on entrepreneurship theory.

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101

102 **2. LITERATURE REVIEW**

103

104 **2.1 Entrepreneur Farmer**

105

106 Acknowledging the prior definitions of entrepreneurship and looking at the core features of
107 today's commercial agriculture, Adhikari [6] bring the agricultural perspective into
108 entrepreneurship research debate. Accordingly, the authors propose an entrepreneur as a
109 change-oriented and value creating entity willing to embrace innovation to capitalise on
110 opportunities. In here, the authors argued that attitudes and behaviour towards change-
111 orientation, value creation, innovation and utilising opportunities are critical characteristics of
112 an entrepreneur farmer. However, this definition ignored the risk-taking feature of an
113 entrepreneur. The authors believed that the farmers are risk averters than risk-takers.

114

115 Vesala [25] highlights the three dimensions that can be considered when defining farmers as
116 entrepreneurs, namely risk taking, growth orientation and innovativeness. Risk taking is the
117 willingness to bear the state of uncertainties caused by failures. There are three types of risk
118 involved, such as business risk, financial risk and personal risk [26]. However, entrepreneurs
119 do not accept all risks; rather they choose to accept the related risks relevant to their
120 particular goal(s). Growth orientation refers to the aim to expand the business activities and
121 growth of the firm. Innovativeness is the willingness to search, develop and try new products,
122 markets or methods. Thus, entrepreneurs seek change and innovation concerning creating
123 new and unique processes, transforming raw materials into resources or using more
124 productive ways to combine existing resources [26]. McElwee [22] and Naminse [20] defined
125 entrepreneur farmer as an individual employed either on full time or part-time basis in farm
126 activities (soil cultivation, crop growing, and livestock rearing) and non-farm activities (market
127 seeking, customer handling) undertaken for profitable gains.

128

129 Concerning the typical characteristics of entrepreneurship derived from the entrepreneurship
130 researches [6, 27, 26, 22, 25], the present study expands the definition of entrepreneur
131 farmer developed as an individual employed either on full time or part-time basis in farm and
132 non-farm activities, whom has change-oriented and value creating entity willing to take risk
133 and embrace innovation, regard on resources, product, process and market, to capitalize
134 opportunities.

135

136 **2.2 Entrepreneurial Opportunity (EO)**

137

138 Opportunity identification is a vital concept in entrepreneurship research. Opportunities
139 define as a stream of continuously developed ideas, driven and shaped by one's social

140 interaction, creative insights, and action at each stage [28, 29]. Whereas, opportunity
141 recognition defined as the ability to identify a good idea and transform it into a business
142 concept that adds value and generates revenue. This implies that the notion of opportunity is
143 devoted from one's intention to pursue it and that the recognition of an opportunity is
144 conceptually attached from the opportunity itself [30]. This is also consistent with the idea of
145 opportunity emergence as an intention-driven process [31].
146

147 Eckhardt [32] indicate that EO is situations in which new goods, services, raw materials,
148 markets, and organisational methods can be introduced through the formation of new
149 means, ends, or means-ends relationships. Entrepreneurial opportunity defines as situations
150 that entail the discovery of new means-ends relationships in which new goods, services, raw
151 materials, and organising methods are introduced to generate economic value [33].
152 Accordingly, EO provides a competitive advantage to the first firm which can discover and
153 exploit them.
154

155 Companies [34] classify the different types of EO as economic, cultural-cognitive, and
156 sociopolitical opportunities. Economic opportunities can be defined as real situations that
157 entail material resources and information in the discovery of new value-creating, means-
158 ends relationships. They include both the technological opportunities that make the creation
159 of new goods and services possible, as well as the market opportunities that enable these
160 new goods and services to be commercialised for wealth creation. Cultural cognitive
161 opportunities are personal situations that require interpretive processes for the enactment of
162 valuable, new means-ends relationships. As entrepreneurs engage in the recombination of
163 existing beliefs and practices, they develop new cultural schemas for interpreting the world.
164 These cultural innovations are then used to enact entrepreneurial opportunities as new
165 social and economic realities. In this sense, one can classify cultural cognitive opportunities
166 according to their source in the value chain such as producer opportunities and consumer
167 opportunities. Sociopolitical opportunities are real situations embedded in existing social
168 structures that actors exploit to create new means-ends relationships. Although they most
169 often manifest themselves as network structures, they may also emerge through the
170 mobilisation and reconfiguration of network resources given a shifting sociopolitical
171 landscape. In this sense, one can distinguish between network opportunities and political
172 opportunities. In brief, economic opportunities encompass technological and market
173 opportunities resulting from material innovation; cultural cognitive opportunities consist of
174 cultural innovations introduced into the marketplace by either producers or consumers, and
175 sociopolitical opportunities include network opportunities resulting from the structural
176 features of social networks and political opportunities attributable to changes in the
177 governance structures of these networks.
178

179 It is precisely our argument that an entrepreneurial opportunity is intelligible only within the
180 specific context that it occurs [15]. One of the central questions in entrepreneurship seeks to
181 understand why some individuals and not others recognise specific opportunities [33].
182

183 The role of the farmer has been changed since in the last few decades agriculture has
184 experienced significant structural changes [6]. Having said so, a significant challenge for the
185 agricultural sector is to enable farmers to enhance their entrepreneurial role, which in turns
186 will enhance the competitive advantage of farms. Prior studies were not being able to
187 investigate how farmers perceive and exploit EO to adopt entrepreneurship in agriculture; it
188 is essential to understand opportunities within this perspective is how farmers perceive their
189 environment and conceive of future possibilities within it.
190

191 **2.3 Capability Approach (CA)** 192

193 The capability approach focuses on the functioning or living conditions of individuals, which
194 are defined as what people can or cannot do or what they can or cannot be [19]. The CA
195 explores the well-being of individuals not from what they already have, but concerning the
196 possibilities for choosing to do or be other than what they already do or are [21]. Sayer [35]
197 further holds that the CA challenges individuals to take a position on where they stand
198 regarding human values. From these aspects, we can integrate the capability approach into
199 entrepreneurship because entrepreneurship definitions share common characteristics such
200 as change-oriented, opportunity seeking, innovative, risk-taking and value creating. The core
201 concepts in this approach are a person's functioning, which are beings and doings (being
202 well-fed or literate), and person's capabilities (the genuine opportunities or freedoms to
203 realise this functioning) [36].
204

205 Considering the state of the art of competitive capabilities, the study of Derissen [37] are
206 conceptual different pillars of capabilities such as adaptability to organizational learning,
207 communication, sharing and exchanging knowledge and technological capabilities.
208 Organisational learning capability reflects the ability to develop the knowledge that facilitates
209 changes in the market conditions [38]. The dynamic capabilities view that new knowledge
210 needs to be developed for the activities of creating, extending and modifying the routines
211 and resources of firms in response to changing market conditions [39]. Firms should maintain
212 good customer treatments through communication and sharing knowledge [40]. It provides
213 opportunities to express the ideas and interest of stakeholders. Intellectual capital is referred
214 for knowledge assets of the firm [41]. Furthermore, knowledge sharing between firms
215 increases the ability to compete in the market [42]. Involving several forms of communication
216 and integration between different practices drive to build competitive position of a firm [41].
217 Technological improvement, importance of information system, and changes in climate and
218 economies cause to create competitive environment in the agribusiness sector. In order to
219 meet those challenges, farmers need to adapt technical capabilities through technology [43].
220 Pierpaoli [44] emphasised that precision agriculture is the applicability of technology to do
221 the right thing, in the right place, in the right time and in the right way. Hence, they need to
222 try new crops, cultivars and alternative technologies to increase productivity and to increase
223 profits [45]. Thus, it is high to employ the CA to examine what capabilities influence to
224 explore entrepreneurial opportunities and implement them into action and how those
225 identified capabilities influence entrepreneurship growth in the agribusiness sector.
226

227 **3. METHODOLOGY**

228
229 According to the purposes of this study, it is required to investigate individual farmers who
230 defined as entrepreneur farmers. Based on the definition of entrepreneur farmer driven by
231 this study, farmers need to have change-oriented and value creating entity willing to take the
232 risk and embrace innovation, regard on resources, product, process and market, to
233 capitalise opportunities. Therefore, a purposeful sample of respondents needs to be
234 selected. To this end, the study relied on the list of Entrepreneur of the Year Award,
235 Agribusiness category in Sri Lanka. Sri Lanka is an agricultural based country where
236 presently, 13.4% of gross domestic product (GDP) is derived at from agricultural products
237 which consist of tea, rubber, coconut, paddy and minor export crops. Relative to the GDP,
238 26.1% of gross export earnings are derived from agricultural export crops. In fact, 32% of
239 the total land area is devoted to agriculture, where 35.6% of the employed population is
240 engaged in the agricultural sector [13, 46, 47].
241

242 The study adopted an inductive qualitative case study approach to gathering data from the
243 farmers. Based on the list of National Entrepreneur Farmers in Sri Lanka, three cases were
244 selected. The participants of the study were range from illiterate farmer to well-educated.
245

246 Interviews were open-ended and followed a protocol that involved an initial unstructured
247 narrative section [48] in which the participants were asked to tell life stories and give an
248 account of their farming business. The second section of the interview consisted of a set of
249 specific questions, probing: what motivates them to engage in farm business, ways of
250 identifying opportunities, situations that facilitated to identify opportunities, internal strengths
251 they have, external support they obtained, activities they followed to implement opportunities
252 into action, the difficulties they faced, how those difficulties affected the farm activities and
253 how they overcome those difficulties and future expectations in their agribusiness.
254

255 Interviews were conducted in Sinhala, translated into English, and then back-translated into
256 Sinhala and Bengali to check for consistency. Interviews lasted about 60 to 90 minutes to
257 complete, and they were recorded and transcribed. The authors then examined, coded,
258 categorised and synthesised the transcripts per interviews. The transcripts were organised
259 into themes and these themes were used to finalise how these identified capabilities
260 influence entrepreneurship growth in the agribusiness sector.
261

262 **4. RESULT AND DISCUSSION**

263
264 “Entrepreneurs simply have better ‘eyes’ than the rest of us – indeed, the ‘essence of
265 entrepreneurship is to identify and exploit entrepreneurial opportunities – that is,
266 opportunities others do not see’ [16]. Sarasvathy’s entrepreneur is responsive, constantly
267 alert to the opportunities presented by changing resources, seen in terms of human capital
268 and social relationship. Entrepreneurs build new ventures from the resources available to
269 them [15].
270

271 As the scope of the agribusiness increases, the entrepreneurial and managerial capabilities
272 of the farmers must also increase. The stories of our participants provide an empirical
273 description of capabilities needed by farmers to explore entrepreneurial opportunities and
274 how those identified capabilities influence entrepreneurship growth in their agribusiness.
275 First, the study described the evidence that can be inferred from the activities of
276 entrepreneurs. Entrepreneurial farmers perceive their farms as a business. On the other
277 hand, farms are profit earning element to them. The following stories tell us how farmers got
278 involved in their agribusinesses.
279

280 *Case 1:*

281 *I was grown up on a farm. My entire family members engage with traditional rice farming and*
282 *I am familiarized with traditional farming techniques. I have practiced farming with my*
283 *grandfather. I did feel that traditional rice farming cannot be carried out in order to make*
284 *profit. Rice farming is good for own consumption, but cannot make profit. I had to look for*
285 *another income-generating opportunity which needs to be unique to my village. Once I*
286 *searching, I noticed that farmers are suffering from searching quality breeding. Farmers are*
287 *always blaming that existing breeding are not include higher yielding, disease resistant or*
288 *regionally adapted to different environments and growing conditions. I heard other farmers’*
289 *blames regarding quality plant breed when I attended the meeting held with agricultural*
290 *officers. This rang alarm to me... I started my own plant breeding business on a small*
291 *portion of our land. My family members did not like my idea at all (laugh) but now they*
292 *believe that I am right. Including my wife there are 8 workers work for me now.*
293

294 *Case 2:*

295 *None of my family members engage with farming or agribusiness. I worked at government*
296 *office since I am graduate. I earned very low amount from my job at the government office. I*
297 *used to blame myself why I studied so far... My parents believed that graduate should work*
298 *at government office. They said, ‘it’s shame to be a farmer if you have a degree’.*

299 *My parents inherit large area of land that was not utilised in proper ways. So, I believed that*
 300 *using lands in proper ways could earn more what I had earned from the job. Three years*
 301 *ago, I started to cultivate Malaysian type papaya and manyokka (Manioc). Malaysian breeds*
 302 *are resisted to diseases and increased yield..... My family members do not like to engage*
 303 *with farming, so I do not get any support from them. I know that now they happy about my*
 304 *agribusiness. But my friend helps me lot to carry out the business.*

305
 306 **Case 3:**

307 *I am belonging to the family who are doing fishing activity. All of my relatives and neighbors*
 308 *engage with fishing. Other women in our family help their parents or husband to do fishing*
 309 *activities. None of them want to go beyond that. I completed only Ordinary Level education.*
 310 *But I need to do something different and earn more money than others. My village is popular*
 311 *for spice crop cultivation (Cinnamon, pepper and Cardamone). So, I decided to take*
 312 *advantage of spice crops in our land. Without selling raw products, I thought it would be*
 313 *profitable to sell spice mix. I start to pack Cinnamon powder, Pepper and Pepper powder*
 314 *and Cardamone. Since, I didn't have enough crops, it was very challenging at the beginning*
 315 *because people who grow spice crops did not like to give their product to me. They feared*
 316 *that I could not be able to pay them. I build trust to my customers that I prepare quality spice*
 317 *mix. I try to secure the aroma and taste of spice mix. Now I have my own place to carry out*
 318 *this business, five girls (including 2 of my relatives) now work with me (laugh).*

319
 320 For these participants, the agribusiness is a path that can help them to exploit
 321 entrepreneurial opportunities. Eventhough our participants range from illiterate to well-
 322 educated, they were becoming aware of limitations of their traditional business activities.
 323 They feel that they need to look for different income generating opportunities to change their
 324 family traditions (Case 1 and 3) or believes (Case 2). The participants perceived that
 325 challenging disruptive events encouraged the emergence of entrepreneurship in
 326 agribusiness.

327
 328 Stevenson [49] argued that social scientific researches on entrepreneurial activities are too
 329 theoretical and entrepreneurship is more than managerialism [50]. Capabilities of farmers
 330 are largely ignored and receives little attention in the current debate [51]. Thus, more
 331 knowledge is needed about what capabilities influence to explore opportunities and
 332 implement them into action. Drawing our attention on these capabilities provides valuable
 333 insights into complexity and demanding nature of entrepreneurship in agribusiness. The
 334 following section provides an empirical description of capabilities needed by the farmers for
 335 successful engagement in their agribusiness. Accordingly, the interviews were analysed to
 336 develop a profile for capabilities. This analysis produced 17 actions denoted by the selected
 337 farmers. These actions were then related to 04 pillars of capabilities conceptualized by
 338 Derissen [37]: adaptability to organizational learning, communication, sharing and
 339 exchanging knowledge and technological capabilities. Table 1 exhibits the actions and their
 340 relation to the capabilities.

341
 342 **Table 1: Identified actions in relation to capabilities**

Identified Actions	Capabilities			
	Organizational learning	Communication	Sharing and exchanging knowledge	Technological
Opportunities Recognition				
Negotiates with other farmers about the issues in farming			x	

Identified Actions	Capabilities			
	Organizational learning	Communication	Sharing and exchanging knowledge	Technological
Keeps a record about market demand patterns	x			
Adapt value addition in response to market demand	x			
Build customer networks			x	
Absorb and process information differently	x			
Incorporate new information coming from the media or from the opinions and judgments of others				x
Understand the interdependent among farmers and seeking new ideas			x	
Total	03	-	03	01
Implement Opportunities into Action				
Experiment new cultivation practices comparing with current practices	x			
Adapt customize production				x
Perform small scale experimentation	x			
Conduct area specification such as weather, soil and wind conditions				x
Initiates self-problem-solving techniques without waiting for external supports	x			
Establish active relationship with financial institutions		x		
Shares results of own experimentation with Agriculture Officers			x	
Build own carbonic fertilizers				x
Regulatory communicate with		x		

Identified Actions	Capabilities			
	Organizational learning	Communication	Sharing and exchanging knowledge	Technological
customers				
Search latest techniques applied by other countries to control crop diseases	x			
Total	04	02	01	03

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As shown in Table 1, many actions relate to organizational learning capability (a total of 6 actions), followed by technological capability (a total of 5 actions). With respect to the opportunity recognition, organisational learning and sharing and exchanging knowledge capabilities play a vital role (a total of 3 actions each). Capability to share knowledge in response to new opportunities is built by a commitment to long-term learning [51]. When it comes to the implementation, organisational learning becomes a significant capability. Based on the results, we conclude that the actions identified provide a way of operationalizing a detail picture of four capabilities being formed by entrepreneur farmers.

5. CONCLUSION AND IMPLICATIONS

Market globalisation and uncertainties mean that entrepreneurship has become a need for agribusiness development. This situation requires to understand how farmers perceive and exploit agribusiness opportunities to behave entrepreneurially.

The participants of this study focus on behavioural outcomes of learning. Organisational learning capability, in this sense, consists of the process of exploiting and experimenting externally generated knowledge and transforming them into farm daily routines. In this way, an idea for a business is formed into an opportunity that gains value to the farms. Further, it allows the farms to break through their defensive routines. As one of our responders put it, *"I search information from my friend and learn about latest techniques applied by other countries to control crop diseases. Now I apply my own carbonic fertilizer for papaya and Manioc. Further, I distribute my knowledge on carbonic fertilizer to other farmers in this area. My friend now starts carbonic fertilizer production factory"* (Case 2).

In this sense, the interviews reveal that farmers tend to learn by doing, forming a gradual change in their orientation towards entrepreneurship. The learning phase is fundamental for performance their farms. The respondents appeared to believe that their know-how and sharing knowledge are important steps to avoid failure. They tended to see this practice of learning as critical for their own success. For example, here is a story that one of our participants told us about how he got involved in learning.

"When I travel different part of country, I always searches new crop types unique in that area. I take sample of this crop and cultivates it in my own planting place. Making my own experiments (45 to 60 days), I decide whether it suitable for commercial breeding process. Then, I search market opportunity for newly identified crop. Once I received orders, I search the specifications of area where crop breeds are expected to grow. Because, area specifications such as weather, soil condition, wind ... etc cause to success or failure of cultivation" (Case 1).

Improvements in technology and information systems have resulted in an increasingly competitive environment for the agribusiness. On the basis of our findings, technological capability facilitates to implement opportunities into action. Technological capability, in the

385 sense, includes product development, fertiliser development, production process changes
386 according to customer requirements and experimentations based on area specification. This
387 is further relating to the diffusion of technical information effectively through relevant
388 functional areas. As one of our responders put it, *“eventhough I don’t know much on new
389 machines and their technology, I used to search on internet about the latest techniques
390 apply for spice grinding, mixing and packing... because I need to prepare spice mix to meet
391 customer specific demand without damaging its aroma and taste” (Case 3).*

392
393 Given the size of agricultural contribution towards Sri Lankan economy, farm
394 entrepreneurship could become a source of agribusiness competitiveness. To this end, this
395 paper offers the following implications for agribusiness sector.
396

397 Overall, what is essential to promote farm entrepreneurship needs to be communicated to
398 the people who engage in agribusiness. They need to equip themselves with knowledge on
399 the propensity to take risks, methods of handling risks, growth orientation approaches and
400 innovative types and styles of management. Advisory sessions need to be planned for them
401 with regard to rely on knowledge which should be developed through organisational
402 learning mechanism. Learning is critical to the success of firms in this dynamic environment
403 in their quest to adapt and survive. This study articulates the importance of knowledge
404 sharing. The relevant authorities can consider initiating the establishment of relevant
405 networks on behalf of the people engage with agribusiness and encourage their
406 participation in them. To aid this, agribusiness sector could highlight success stories from
407 local areas and provide networking opportunities that would have an impact on developing
408 healthy networks. Together with that, introducing several forms of communication such as
409 meetings, discussions, social events and social media programmes drive to build a platform
410 for exchanging ideas and information. Special training programmes need to be planned with
411 regard to the latest techniques relevant to agribusiness such as cultivation methods, raw
412 materials, utilisation of fertiliser, harvesting techniques, storage and packaging.
413

414 Agribusiness sector must seek to enhance organisational learning, knowledge sharing,
415 communication and technological capabilities with the help of Government and other
416 relevant organizations to exploit agribusiness opportunities to behave entrepreneurially. It
417 must be remembered, of course, this study was only about three cases; even these cases
418 may have many aspects that do not uncover; other cases might reveal different kinds of
419 viewpoints on the entrepreneurial opportunities and capability approach.
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