

Assessment of Risk Types Confronted by Agripreneuers in North Central, Nigeria

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Abstract

This study evaluated the types of risks faced by agripreneuers in North Central Nigeria. Multistage random sampling technique was adopted in the selection of 300 respondents from Nasarawa, Niger and Kogi States used for the study. Well -structured questionnaires were used to elicit the required data from the respondents. The significant economic and financial risk facing the input agripreneuers were exchange rate fluctuations (mean=3.84), high interest rate (mean=4.82) and high level of debts (3.20). The significant production risks facing the production agripreneuers were inadequate storage and processing facilities (mean=4.25), power supply interruption (mean=4.56), outdated technology and lack of expertise (mean=4.34) inaccessibility of input (mean=3.94). The significant production risk facing the processing agripreneuers were inadequate processing and storage facilities (mean=3.42), instability in power supply (mean=4.54), outdated technology and lack of expertise (mean=4.41) and inadequate and improve inputs (mean=3.42). The Major risks faced by marketing agripreneuers include frequent price fluctuation (mean=4.04), high level of inflation (mean=4.66), lack of product variety (mean=3.12), past failure (mean=3.4.07) and too many competitors (mean=3.97). The significant economic and financial risk facing the support agripreneuers were limited ways of raising fund (mean=4.95), exchange rate fluctuation (mean=4.42) and high interest on loans (mean=4.53). Programs and policies meant to promote capital access of the agripreneuers should be promoted and executed judiciously. Agripreneuers should be enlightened that risk is essential part of entrepreneurial success.

Keywords: Agripreneuers; Risks; Risk Types; Likert Scale; North Central; Nigeria.

1. Introduction

Risk is a major issue that affects so many aspects of people's livelihoods in the developing world. It affects whether people can own and maintain assets and endowments, how these assets are transformed into incomes via activities and how these incomes and earnings are translated into broader development outcomes [1]. According to [2] apprehension of risk induces certain behaviour into a farmer and this would grossly affect enterprise selection and consequently his resource use and allocation pattern. The rural poor are risk averse as they are always skeptical of losing the little resources that they have at their disposal and thus specialize on the risk-low return activities [3]. These farmers are therefore more of risk minimizers contrary to the neo-classical principle of profit maximization [4]. These risks and uncertainties easily trigger food shortages, deterioration in nutritional status, destitution and agro-business failure [5]. This explains why risk analysis among agribusiness investments has become increasingly popular obviously because agribusiness investment depends on vagaries of the environment and nature [6]. Many authors have made efforts at classifying different kinds of risks that hit agripreneurs income, welfare and life generally. Using the analogy of colours in the spectrum, [7] stated that the range of business risks contains many shades and variations, but can be reduced to few primary types of risk, like primary colours, to include production risks, market risk and financial risks. Generally speaking, scholars categorize types of risk differently, most times depending on study objectives and motives. Whereas [8] classified general sources of risk to include; business risk (which incorporates production risk and market risk) and financial risk. [9] identified three additional categories of business risk to include technological, legal/social and human. More recently, comparatively though, [10] argued that any classification of risk should include social, health and policy risks as well as the traditional yield and price risks which are familiar to agribusiness. According to a range of scholars, the main sources of risk in farming specifically and agribusiness generally include production or

yield risk, financial risk, price or market risk, institutional or political risk, environmental risk, human resource or personal risk and legal risk [11]. The various types of risk give rise to uncertainty in the minds of agripreneurs regarding their ability to predict the future. The degree of uncertainty, the consequences of the various possible outcomes and the personality of the individuals will determine how best to behave under the circumstance and what strategy they adopt to minimize the effects of risks [12]. Most agripreneurs are generally thought to be risk averse. That is, given for example a choice between a certain 8100, or the equal chance of receiving an uncertain 81100 or nothing they will always choose the 8100, and there will be sums of money less than 8100 which will be chosen in preference to an equal chance of 81100 or nothing. The implication of this is that an agripreneur may not aim for the production plan with the highest expected profit if this profit is associated with a wide range of alternative profit outcomes; he may instead opt for a lower expected profit if this involves a narrower range of profit outcomes. Risk adverse decision rules differ from risk neutral choices because of the existence of marginal risk premium, which is the wedge between input cost and expected marginal product at the optimum level of input use [13].

2. Methodology

This study was carried out in the North Central Geo-political zone of Nigeria. Multistage sampling technique consisting of purposive and random sampling was adopted in the selection of the agripreneurs that were used for the study. The first stage involved a purposive selection of three states in the North Central Zone namely Nasarawa, Kogi and Niger States mainly because of the predominance of agripreneurs, accessibility, security challenges and time constraint. The second stage involved a process of stratifying the agripreneurs in the area into various agribusiness types: input supply,

production, processing and marketing and support subsystems. The third and final stage involved adoption of purposive sampling technique to select 100 agripreneurs from each of the three states that gave a total of three hundred agripreneurs. Primary data were collected through the use of questionnaire.

3. Result and Discussion

3.1. Agripreneurs Areas of Investment

From the survey results, agripreneur respondents were found to fall into input, production, processing, marketing and support service categories. The input agripreneurs were

involved in seedlings, chemical and fertilizers, feeds and drugs and equipment/ tools. The production agripreneurs were involved in vegetable and fruits, cassava farming, distillation and livestock. The processing agripreneurs were involved in cassava, palm, eatery, timber and livestock. The marketing agripreneurs were involved in cassava, processed food, palm products, staple food and livestock while those in the support services were involved in consultancy and extension/education. The distribution of the agripreneurs according to their area of investment is presented in (Table1). The agripreneurs involved in the input, production, and processing, marketing and support service stages of the value chain were 16.3%, 31.67%, 11.3%, 28.6%, 18.6% and 4.6% respectively.

Agripreneur Subsystem	Investment Area	Frequency	Percentage
Input	Seedlings	12	4
	Chemicals and fertilizer	11	3.67
	Feeds and drugs	19	6.33
	Equipments and tools	6	2
Total		48	16
Production	Vegetables and fruits	28	9.33
	Crop	32	10.67
	Livestock	20	6.67
Total		80	26.67
Processing	Cassava	31	10.33
	Eatery and confectionary	20	6.67
	Timber	12	4
	Livestock	16	5.33
Total		79	26.33
Marketing	Cassava	29	9.67
	Processed foods	11	3.67
	Timber	12	4
	Livestock	22	7.33
Total		74	24.67
Support Services	Consultants	6	2
	Private extension agents and educators	13	4.33
Total		19	6.33

Table 1: Agripreneurs Areas of Investment

Source: Field survey data, 2020.

3.2. The Major Types of Risks Confronted by Agripreneurs in the North Central Nigeria

The risk types experienced by the agripreneurs involved in the different stages of the agribusiness value chain were discussed in this section.

The risk types experienced by the input agripreneurs are as presented in (Table 2). A five point likert scale was used to ascertain descriptively the risk types that significantly affect the agripreneurs who are input suppliers. The result is presented in Table 2. Score was ascribed to each response in the following manner: strongly agreed = 5; agreed = 4; undecided = 3; disagree = 2 and strongly disagreed = 1. The mean of this point was calculated and used to determine whether a variable was significant or not. The decision rule states that any variable which has a mean that is less than or equal to 3 is not a significant risk affecting the agripreneurs. Any variable with a mean that is greater than 3 is accepted to be a significant risk affecting the agripreneurs.

The significant economic and financial risk facing the input agripreneurs are limited ways of raising fund (mean=3.65), exchange rate fluctuations (mean=3.84), high interest rate (mean=4.82) and high level of debts (3.20). These economic and financial risk factors affect the input agripreneurs significantly and are very vital in the decision making of the enterprise. The input agripreneurs deal with the basic agricultural inputs, they produce seedlings and chemicals required as inputs in agriculture and most times require huge financial implications. With the economic condition of the nation, factors such as source of fund, interest rate and exchange rate pose so much risk. The inability of Small and Medium Scale Enterprises (SMEs) including agripreneurs to identify and manage exchange rate changes expose them to the negative effects of exchange rate volatility (Kwasi et al 2012). The significant production risk faced by the input agripreneurs were inaccessibility of inputs (mean=3.63), difficulty in maintaining standards (mean=4.45), power supply interruption (mean=5.00), lack of

technological expert (mean=3.65) and outdated technology (mean=4.92). The most significant production risk factor is the power interruption which negatively affects agripreneurs that need electricity for heating, incubation and other processes. Despite the huge endowment of energy sources, Nigeria is also an energy deficient country whose economy suffers tremendously from the shortages of energy supply [14]. The significant market risks faced by the input agripreneurs were frequent price fluctuation (mean=3.63), high level of inflation (mean=3.78), poor access to global markets (mean=3.08) and past failure (mean= 3.30). The persistent increase in the prices of commodities in the market is a source of risk to the agripreneurs as they are affected by this ugly trend. Price fluctuations have been troublesome in their destabilizing effects and huge risk impact on the enterprise performance of businesses involved in agriculture [15]. The significant political risks faced by the input agripreneurs are threats of terrorism (mean=3.96), menace of Fulani herdsmen (mean=3.96), and political instability (mean= 3.30). The growing wave of political instability with the herdsmen attack poses a great risk to the agripreneurs as this disturbs their business. The overall consequences are that, since most of them have been negatively employed to wreak havoc against the society, the once bubbling commercial cities, serene and peaceful towns with a perfect blend of modern and traditional exotic cultural heritages have turned into fearful ghost towns. It is almost impossible to assess the painful feelings, quantify the number of invaluable deaths (because some are not recorded) and evaluate the cost of public infrastructure and personal properties destroyed by the terrorists [16]. The significant environmental risks faced by the input agripreneurs were erosion menace (mean=3.73) and incidence of flooding (mean=3.89). Erosion and flooding are the two major environmental challenge facing agripreneurs in Nigeria. Floods are among the most devastating natural disasters, claiming more lives and causing more property damage than any other natural phenomena. In Nigeria, though not leading.

Tag	Risk Description	Strongly Agreed	Agree	Undecided	Disagree	Strongly Disagree	Total	Mean score	Risk Classification
A1	Limited ways of raising funds	46	2	0	0	0	48	4.958	Economic and Financial Risk
A2	Exchange rates fluctuation	4	24	13	2	5	48	3.417	
A3	High interest on loans	27	19	1	0	1	48	4.479	
A4	Debt collection challenge	35	12	1	0	0	48	4.708	
B1	Inaccessibility of inputs	27	19	1	0	1	48	4.479	Production (or yield) risk
B2	Processing and storage facilities inadequacy	41	1	6	0	0	48	4.729	
B3	Difficulty in maintaining set standard	9	2	15	12	10	48	2.750	
B4	Outdated Technology and lack of expertise	8	17	10	8	5	48	3.313	
B5	Instability in power supply	42	2	4	0	0	48	4.792	
C1	Frequent price fluctuations	5	21	9	3	10	48	3.167	Price (or Market) risk
C2	High inflation levels	8	3	15	12	10	48	2.729	
C3	Lack of product variety	8	3	15	13	9	48	2.750	
C4	Past failure in business that removes confidence	27	19	1	0	1	48	4.479	
C5	Too many competitors	5	21	8	4	10	48	3.146	
D1	Menace of Herdsmen	9	16	10	8	5	48	3.333	Political (or Institutional) risk
D2	Political instability	28	18	1	0	1	48	4.500	
E1	Erosion Menace	4	24	11	4	5	48	3.375	Environmental risk
E2	Incidence of floods	27	19	1	0	1	48	4.479	
F1	Theft by employees and customers	18	25	4	0	1	48	4.229	Human (Personnel) risk
F2	Low commitment to duty by employees	34	11	3	0	0	48	4.646	
F3	Skilled employs are not easily available	16	24	2	1	5	48	3.938	
F4	Retention of own-trained employees' difficulty	33	14	1	0	0	48	4.667	
G1	Expensive license renewal	21	24	3	0	0	48	4.375	Legal risk
G2	Registration and conditionality cost	19	24	4	0	1	48	4.250	
G3	Challenge of on-time delivery of goods	22	23	3	0	0	48	4.396	

Table 2: Analysis of the Input Agripreneurs Types of Risk

Source: Field survey data, 2020.

in terms of claiming lives, flood affects and displaces more people than any other disaster; it also causes more damage to properties [17]. The significant personnel risks facing the input agripreneurs were low commitment to duty (mean=3.20), lack of skilled employee (mean=3.06), and loss due to accident (mean=3.25). Labour in Nigeria is greatly affected by the lack of skill, most of the workers are unskilled. This poses a serious risk to the input agripreneurs resulting to reduction in their output. The significant legal risks faced by the input agripreneurs were registration and conditionality cost (mean=3.25), expensive license renewal (mean=3.20), change of on time delivery of goods (mean=4.22) and suppliers unreliability (mean=3.88). The cost of doing business in Nigeria is very high as the registration procedure and the expensive nature of license renewals make agripreneurship a risky venture.

3.3. Major Types of Risks Confronted by Production Agripreneurs in the North Central Nigeria

The risk types experienced by the production agripreneurs were critically examined in this section as presented in Table 3. A five point linkert scale was used to ascertain descriptively the risk types that are peculiar and of most concern to the production agripreneurs. This is presented in the (Table 3) below. Score was ascribed to each response in the following manner: strongly agreed = 5; agreed = 4; undecided = 3; disagree = 2 and strongly disagreed = 1. The mean of this point was calculated and used to determine whether a variable was significant or not. The decision rule states that any variable which has a mean that is less than or equal to 3 is not a significant risk affecting the agripreneurs. Any variable with a mean that is greater than 3 is accepted to be a significant risk affecting the production agripreneur.

The significant economic and financial risks faced by the production agripreneurs were limited ways of raising fund (mean=4.79), exchange rate fluctuations (mean=3.19) and high interest rate (mean=4.46). High interest rate is a major risk of concern for the production agripreneurs and there is the need for proper debt management. [18] Observed that debt has the ability to cause the non-performance of small scale enterprises. Most empirical studies on the impact of debt management on the performance of businesses have focused basically on large scale businesses in developed countries [19]. The significant production risks faced by the production agripreneurs were inadequate storage and processing facilities (mean=4.25), power supply interruption (mean=4.56), outdated Technology and lack of expertise (mean=4.34) inaccessibility of input (mean=3.94). The state of technology in any organization has a significant influence on the quality and quantity of production of its goods or services. But despite this, technology is prone to constant change and organizations have to monitor, manage and cope with this [20]. The significant market risk faced by the production agripreneurs were frequent price fluctuation (mean=4.40), high level of inflation (mean=4.40), past failure (mean= 3.68) lack of product variety (mean = 4.15) and too many competitors (mean =4.43). This result agrees with [21], they stated that inadequate processing and storage facility is a major problem producer of agricultural produce face. The significant political risks faced by the production agripreneurs were menace of herdsmen (mean= 4.30), and political instability (mean= 3.21). Also, the significant environmental risks faced by the production agripreneurs were erosion menace (mean=3.21) and incidence of flooding (mean=4.48). The significant personnel risks faced by the production agripreneurs were low commitment to duty (mean=4.35), lack of skilled employees (mean=4.44), and difficulty in retaining owned trained staff (mean= 4.16) and theft by employees and customers (4.03). The significant legal risks faced by the production

agripreneurs were registration and conditionality cost (mean=3.93), challenge of on time delivery

of goods (mean=4.28) and expensive license renewal (mean= 4.36).

Tag	Risk Description	Strongly Agreed	Agree	Undecided	Disagree	Strongly Disagree	Total	Mean score	Risk Classification
A1	Limited ways of raising funds	67	5	8	0	0	80	4.738	Economic and Financial Risk
A2	Exchange rates fluctuation	2	39	21	8	10	80	3.188	
A3	High interest on loans	48	24	6	1	1	80	4.463	
A4	Debt collection challenge	40	31	7	1	1	80	4.350	
B1	Inaccessibility of inputs	34	26	6	9	5	80	3.938	Production (or yield) risk
B2	Processing and storage facilities inadequacy	38	32	3	6	1	80	4.250	
B3	Difficulty in maintaining set standard	37	39	3	0	1	80	4.388	
B4	Outdated Technology and lack of expertise	37	35	7	0	1	80	4.338	
B5	Instability in power supply	52	24	2	1	1	80	4.563	
C1	Frequent price fluctuations	40	36	2	0	2	80	4.400	Price (or Market) risk
C2	High inflation levels	38	38	3	0	1	80	4.400	
C3	Lack of product variety	28	41	7	3	1	80	4.150	
C4	Past failure in business that removes confidence	16	38	16	4	6	80	3.675	
C5	Too many competitors	39	38	2	0	1	80	4.425	
D1	Menace of Herdsmen	36	35	7	1	1	80	4.300	Political (or Institutional) risk
D2	Political instability	2	39	23	6	10	80	3.213	
E1	Erosion Menace	2	40	21	7	10	80	3.213	Environmental risk
E2	Incidence of floods	49	23	6	1	1	80	4.475	
F1	Theft by employees and customers	35	28	6	6	5	80	4.025	Human (Personnel) risk
F2	Low commitment to duty by employees	41	32	2	4	1	80	4.350	
F3	Skilled employs are not easily available	50	18	10	1	1	80	4.438	
F4	Retention of own-trained employees' difficulty	30	34	15	1	0	80	4.163	
G1	Expensive license renewal	41	30	7	1	1	80	4.363	Legal risk
G2	Registration and conditionality cost	34	26	6	8	6	80	3.925	
G3	Challenge of on-time delivery of goods	39	32	2	6	1	80	4.275	

Table 3: Analysis of the Production Agripreneurs Types of Risk

Source: Field survey data, 2020.

3.4. Major Types of Risk Confronted by Processing Agripreneurs in the North Central Nigeria

The risk types experienced by the processing agripreneurs were critically examined in this section as presented in Table 4. A five-point likert scale was used to ascertain descriptively the risk types of concern to the processing agripreneurs as is presented in the (Table 4). Score was ascribed to each response in the following manner: strongly agreed = 5; agreed = 4; undecided = 3; disagree = 2 and strongly disagreed = 1. The mean of this point was calculated and used to determine whether a variable was significant or not. The decision rule states that any variable which has a mean that is less than or equal to 3 is not a significant risk affecting the agripreneurs. Any variable with a mean that is greater than 3 is accepted to be a significant risk affecting the processing agripreneurs.

The significant economic and financial risk faced by the processing agripreneurs were limited ways of raising fund (mean=4.80), exchange rate fluctuations (mean=3.10), and high interest rate (mean=3.4.39). The significant production risk faced by the processing agripreneurs were inadequate processing and storage facilities (mean=3.42), power supply instability (mean=4.54), outdated technology and lack of expertise (mean=4.41) and inadequate and improve inputs (mean=3.42). Nto et al. (2011) had a similar result. The significant market risk faced by the processing agripreneurs were frequent price fluctuation (mean=4.66), past failure (mean= 3.76) and lack of product variety (3.12). This result is in agreement with [22] who observed that lack of product variability and price instability pose a great challenge to marketers of agricultural produce. The significant political risks faced by the processing agripreneurs were menace of herdsmen (mean= 4.44), and political instability (mean= 3.33).

Extreme violence repels rather than attracts business investors as in the case of the activities of terrorists. When human, material and financial resources are channeled into the advancement of sectarian ideology, economic development is retarded. Also he noted state action and war as constraints that face agripreneurs [23]. The significant environmental risks faced by the processing agripreneurs were erosion menace (mean=4.02) and incidence of flooding (mean=4.52). In recent years, risk-based approaches have received increasing attention as means to manage flood hazards. In day-to-day language, the term risk is often used as a synonym for probability or chance. This should not be a surprise since the denotation of the term often varies with the sector in which it is applied such as, legal profession, insurance, natural disaster research communities and cultural heritage researchers among others [24]. Yet, even in the context of flood alone, numerous definitions of flood risk have been suggested [25]. The significant personnel risks faced by the processing agripreneurs were low commitment to duty (mean=4.41), lack of skilled employee (mean=4.10), retention of owned - trained staff (mean= 3.24) and loss theft by employees and customers (mean= 3.62); while the significant legal risks faced by the processing agripreneurs were registration and conditionality cost (mean=4.30) and expensive license renewal (mean=4.43) and challenge of on – time delivery of goods (4.54). The change of regulation especially without planning has affected a lot of business operations. An example is how the foreign exchange regulation has affected the access to money for procuring raw materials for their business. This has even made businesses leave the country for a more stable and conducive environment, with attendant capital flight. There have been other regulations in other institutions as well. One that many have been affected is the banking regulations [26].

Tag	Risk Description	Strongly Agreed	Agree	Undecided	Disagree	Strongly Disagree	Total	Mean score	Risk Classification
A1	Limited ways of raising funds	69	4	6	0	0	79	4.797	Economic and Financial Risk
A2	Exchange rates fluctuation	3	39	15	7	15	79	3.101	
A3	High interest on loans	45	22	11	0	1	79	4.392	
A4	Debt collection challenge	45	22	10	1	1	79	4.380	
B1	Inadequate and improve of inputs	20	15	27	12	5	79	3.418	Production (or yield) risk
B2	Processing and storage facilities inadequacy	30	23	16	5	5	79	3.861	
B3	Difficulty in maintaining set standard	15	39	16	4	5	79	3.696	
B4	Outdated Technology and lack of expertise	44	28	4	1	2	79	4.405	
B5	Instability in power supply	50	22	7	0	0	79	4.544	
C1	Frequent price fluctuations	54	23	2	0	0	79	4.658	Price (or Market) risk
C2	High inflation levels	30	34	13	2	0	79	4.165	
C3	Lack of product variety	3	39	17	6	14	79	3.139	
C4	Past failure in business that removes confidence	24	26	18	8	3	79	3.759	
C5	Too many competitors	50	25	2	1	1	79	4.544	
D1	Menace of Herdsmen	45	28	4	0	2	79	4.443	Political (or Institutional) risk
D2	Political instability	13	37	7	7	15	79	3.329	
E1	Erosion Menace	29	37	5	2	6	79	4.025	Environmental risk
E2	Incidence of floods	47	26	6	0	0	79	4.519	
F1	Theft by employees and customers	13	38	18	5	5	79	3.620	Human (Personnel) risk
F2	Low commitment to duty by employees	42	31	4	0	2	79	4.405	
F3	Skilled employs are not easily available	36	19	21	2	1	79	4.101	
F4	Retention of own-trained employees' difficulty	43	16	17	2	1	79	4.241	
G1	Expensive license renewal	39	37	2	0	1	79	4.430	Legal risk
G2	Registration and conditionality cost	32	41	5	0	1	79	4.304	
G3	Challenge of on-time delivery of goods	49	24	6	0	0	79	4.544	

Table 4: Analysis of the Processing Agripreneurs Types of Risk.

Source: Field survey data, 2020.

3.5. Major Types of Risk Confronted by Marketing Agripreneurs in the North Central Nigeria

The risk types experienced by the marketing agripreneurs were critically examined in this section as presented in Table 4.2.4. A five point likert scale was used to ascertain descriptively the risk type that is of major concern to the marketing agripreneurs as is presented in the table below. Score was ascribed to each response in the following manner: strongly agreed = 5; agreed = 4; undecided = 3; disagree = 2 and strongly disagreed = 1. The mean of this point was calculated and used to determine whether a variable was significant or not. The decision rule states that any variable which has a mean that is less than or equal to 3 is not a significant risk affecting the agripreneurs. Any variable with a mean that is greater than 3 is accepted to be a significant risk affecting the marketing agripreneurs.

The significant economic and financial risk faced by the marketing agripreneurs were limited ways of raising fund (mean=4.45), exchange rate fluctuations (mean=3.08), high interest rate (mean=4.52), high level of debts (mean=4.41) and difficulty in debt collection (mean= 4.50s). Cecchetti, Mohanty and Zampolly (2011) studied the effects of debt on firms and concluded that moderate debt level improves welfare and enhances growth but high levels of debt can lead to a decline in growth of the firm. [26] Argued that debt impacted

positively to the growth of a firm only when it is within certain levels. When the ratio goes beyond certain levels financial crisis is very likely. The significant production risk faced by the marketing agripreneurs were power supply interruption (mean=4.38) and inadequate storage and processing facilities (mean=4.23). This result is in agreement with [3] who argued that marketing risks associated with the variability of product, input prices and inadequate processing and storage facilities were the most important sources of risk considered by the farmers. Market risks are very challenging to the marketing agripreneurs and they include frequent price fluctuation (mean=4.04), high level of inflation (mean=4.66), lack of product variety (mean=3.12), past failure (mean=3.4.07) and too many competitors (mean= 3.97). Furthermore, the significant political risks faced by the marketing agripreneurs were menace of herdsmen (mean=4.41), and political instability (mean= 4.62). The significant environmental risks faced by the marketing agripreneurs were erosion menace (mean=4.42) and incidence of flooding (mean=4.46). The significant personnel risks faced by the marketing agripreneurs were theft by employees and customers (mean=3.15), low commitment to duty (mean=4.42), retention of own – trained staff (mean= 4.47) and skilled employees are not easily available (4.66). [27] stated that Lack of skilled workers is a major challenge facing agribusiness, this agrees with the findings of this study. The significant legal risks faced by the marketing agripreneurs were registration and conditionality cost (mean=4.49), challenge of on time delivery of goods (mean=4.47) and expensive license renewal (mean= 4.53).

Tag	Risk Description	Strongly Agreed	Agree	Undecided	Disagree	Strongly Disagree	Total	Mean score	Risk Classification
A1	Limited ways of raising funds	40	28	5	1	0	74	4.446	Economic and Financial Risk
A2	Exchange rates fluctuation	4	36	12	6	16	74	3.081	
A3	High interest on loans	39	33	2	0	0	74	4.500	
A4	Debt collection challenge	56	8	10	0	0	74	4.622	
B1	Inadequate and improve inputs	29	13	6	15	11	74	3.459	Production (or yield) risk
B2	Processing and storage facilities inadequacy	36	26	5	7	0	74	4.230	
B3	Difficulty in maintaining set standard	3	35	17	3	16	74	3.081	
B4	Outdated Technology and lack of expertise	34	36	4	0	0	74	4.405	
B5	Instability in power supply	36	31	6	1	0	74	4.378	
C1	Frequent price fluctuations	27	26	19	1	1	74	4.041	Price (or Market) risk
C2	High inflation levels	58	7	9	0	0	74	4.662	
C3	Lack of product variety	4	37	13	4	16	74	3.122	
C4	Past failure in business that removes confidence	38	19	6	6	5	74	4.068	
C5	Too many competitors	19	38	14	2	1	74	3.973	
D1	Menace of Herdsmen	33	38	3	0	0	74	4.405	Political (or Institutional) risk
D2	Political instability	56	8	10	0	0	74	4.622	Environmental risk
E1	Erosion Menace	35	37	1	0	1	74	4.419	
E2	Incidence of floods	38	34	1	0	1	74	4.459	Human (Personnel) risk
F1	Theft by employees and customers	5	33	19	2	15	74	3.149	
F2	Low commitment to duty by employees	33	39	2	0	0	74	4.419	
F3	Skilled employs are not easily available	55	13	6	0	0	74	4.662	
F4	Retention of own-trained employees' difficulty	46	23	2	0	3	74	4.473	Legal risk
G1	Expensive license renewal	43	29	1	0	1	74	4.527	
G2	Registration and conditionality cost	43	26	4	0	1	74	4.486	
G3	Challenge of on-time delivery of goods	41	28	4	1	0	74	4.473	

Table 5: Analysis of the Marketing Agripreneurs Types of Risk.

Source: Field survey data, 2020.

3.6. Major Types of Risks Confronted by Support Group Agripreneurs in the North Central Nigeria

The risk types experienced by the support agripreneurs were critically examined in this section as presented in (Table 6). A five point linkert scale was used to ascertain descriptively the risk types that are of major concern to the marketing agripreneurs. This is presented in the Table 6. Score was ascribed to each response in the following manner: strongly agreed = 5; agreed = 4; undecided = 3; disagree = 2 and strongly disagreed = 1. The mean of this point was calculated and used to determine whether a variable was significant or not. The decision rule states that any variable which has a mean that is less than or equal to 3 is not a significant risk affecting the agripreneurs. Any variable with a mean that is greater than 3 is accepted to be a significant risk affecting the support agripreneurs.

The significant economic and financial risk faced by the support agripreneurs were limited ways of raising fund (mean=4.95), exchange rate fluctuation (mean=4.42) and high interest on loans (mean=4.53).The significant production

risk facing the support agripreneurs are inadequate storage and process facilities (mean=4.32), difficulty in maintaining standards (mean=3.21), outdated technology (mean=3.37), inadequate and improve input (4.32) and power supply interruption (mean=4.32). The significant market risk faced by the support agripreneurs were frequent price fluctuation (mean=4.37), high level of inflation (mean=4.32), lack of product variety (mean=4.63), past failure (mean= 4.21) and too many competitors (3.05). Also, the significant political risks faced the support agripreneurs were menace of herdsmen (mean=4.37), and political instability (mean= 4.63). Furthermore, the significant environmental risks faced by the support agripreneurs were erosion menace (mean=4.52) and incidence of flooding (mean=3.63).The significant personnel risks faced by the support agripreneurs were low commitment to duty (mean=4.53), skilled employee are not easily available (mean=4.53), difficulty in retention of own-trained employees (mean= 4.63) and theft by employees and customers (mean= 3.11). Also, the significant legal risks faced by the support agripreneurs were registration and conditionality cost (mean=4.74), expensive license renewal (mean=4.32) and challenge of on-time delivery of goods (4.26).

Tag	Risk Description	Strongly Agreed	Agree	Undecided	Disagree	Strongly Disagree	Total	Mean score	Risk Classification
A1	Limited ways of raising funds	18	1	0	0	0	19	4.947	Economic and Financial Risk
A2	Exchange rates fluctuation	9	9	1	0	0	19	4.421	
A3	High interest on loans	10	9	0	0	0	19	4.526	
A4	Debt collection challenge	0	9	2	0	8	19	2.632	
B1	Inadequate and improve inputs	6	13	0	0	0	19	4.316	Production (or yield) risk
B2	Processing and storage facilities inadequacy	12	1	6	0	0	19	4.316	
B3	Difficulty in maintaining set standard	3	1	12	3	0	19	3.211	
B4	Outdated Technology and lack of expertise	3	3	11	2	0	19	3.368	
B5	Instability in power supply	9	7	3	0	0	19	4.316	

C1	Frequent price fluctuations	12	5	0	1	1	19	4.368	Price (or Market) risk
C2	High inflation levels	7	11	1	0	0	19	4.316	
C3	Lack of product variety	12	7	0	0	0	19	4.632	
C4	Past failure in business that removes confidence	7	9	3	0	0	19	4.211	
C5	Too many competitors	0	8	7	1	3	19	3.053	
D1	Menace of Herdsmen	8	10	1	0	0	19	4.368	Political (or Institutional) risk
D2	Political instability	15	3	0	0	1	19	4.632	
E1	Erosion Menace	13	5	0	0	1	19	4.526	Environmental risk
E2	Incidence of floods	1	15	0	1	2	19	3.632	
F1	Theft by employees and customers	0	12	2	0	5	19	3.105	Human (Personnel) risk
F2	Low commitment to duty by employees	10	9	0	0	0	19	4.526	
F3	Skilled employs are not easily available	13	5	0	0	1	19	4.526	
F4	Retention of own-trained employees' difficulty	12	7	0	0	0	19	4.632	
G1	Expensive license renewal	7	11	1	0	0	19	4.316	Legal risk
G2	Registration and conditionality cost	15	3	1	0	0	19	4.737	
G3	Challenge of on-time delivery of goods	6	12	1	0	0	19	4.263	

Table 6: Analysis of the Support Group Agripreneurs Types of Risk.

Source: Field survey data, 2020.

4. Recommendations

Based on the findings of this study the following recommendations are proffered:

1. Since limited source of fund is a risk facing the agripreneurs, programmes and policies meant to promote capital access of the agripreneurs should be promoted and executed judiciously.
2. Exchange rate fluctuation is an economic risk facing the agripreneurs. The government should ensure that a favourable exchange rate is maintained to support the agripreneurs involved in international trade. Specifically
 - agripreneurs who produce for export, and hence earn foreign exchange for the country, should be allowed to access foreign exchange at government official rates, preferentially.
3. Policies and programmes meant to ensure that financial institutions provide capital to agricultural entrepreneurs at a single digit cost should be monitored to ensure its adherence.
4. Agripreneurs should be enlightened that risk is essential in the success of a business as entrepreneurs with high risk attitude may earn more return, since profit is compensation for risk taking.

5. Agripreneurs are encouraged to participate in the agribusiness value chain. They are encouraged to do these through the vertical integration of their business from the input, production, processing to the marketing of their products to reap the returns of the value chain, through increased value-addition in the agri-system of Nigeria.

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