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A TERM PAPER ON:

“DECISION MAKING AND PROMOTION OF PRODUCTIVITY IN AGRIBUSINESS”

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CHAPTER ONE

INTRODUCTION:

1.1 Background Information

Decision making process has been known for long to be the first step in the pursuit of any operational objectives or goals. The process of making decision is the step by step movement towards the selection of best options available in achieving the desired results or effects.

Productivity refers to the state of being productive or producing desired effects. Sound decision making will significantly contribute to the promotion or increase in workers' productivity in Agribusiness.

There are several other factors that have notable effects on the level of productivity and these are as follows:

1. Stable financial resources: in the financing of many agribusiness plan, there is a serious need or requirement for adequate and timely financial resource availability

2. Sound management routines or practices: this is also a big factor for consideration in the bid for increased productivity in any agribusiness firm.

3. Environmental stability: the environment in which agribusiness operates also plays a role in the process of achieving the lofty goals of any agribusiness firm.

4. Stability of government policies, directives and legislation: the policies of the government in any state of the nation also have a significant impact on the productivity level of agribusiness firms. Policy inconsistencies can hamper a well-tailored agribusiness initiates or agenda. This has been one of the major factors that has led to failure in past government programmes and schemes.
1.2 **Agribusiness Productivity**

Agricultural productivity is measured as the ratio of agribusiness outputs to agribusiness inputs. The output value may be compared to different type of inputs such as labor and land (yield). These are called partial measures of productivity.

Agricultural business productivity may also be measured by what is termed “Total factor productivity (TFP)”. This method of calculating agribusiness productivity compares an index of agribusiness inputs to an index of outputs.

Some sources of Agribusiness productivity are:

1. Mechanization
2. High yielding varieties
3. Fertilizers
4. Liming of acid soils to raise PH value and to provide calcium and magnesium
5. Irrigation
6. Herbicides
7. Genetic engineering
8. Pesticides
9. Increased plant density
10. Animal feed
11. Improved technologies
CHAPTER TWO

DECISION MAKING AND INCREASE IN AGRIBUSINESS PRODUCTIVITY

2.1 Increase in agribusiness productivity is often linked with questions about sustainability and sustainable development. Diversity in agribusiness productivity is one of the key to increased output or products as it enables risk management and preserves potential for adaptation and unexpected changes.

Agribusiness productivity increase is becoming increasingly important as the world population continues to grow. India, one of the world’s most populous countries has taken steps in the past to increase its land productivity in order to achieve food security and economic growth.

One billion people worldwide still live in extreme poverty. Agricultural growth remains central to poverty reduction particularly in the poorest countries where a large share of population relies on agriculture for livelihood. At the same time, global demand for some of the major agribusiness products is growing due to the growth in population, dietary shifts and demand for biofuels.

In these circumstances, a steady increase in agribusiness productivity is needed. But growth in agribusiness productivity has been held back in recent years by a number of factors namely:

1. Land and water constraints
2. Under investment in rural infrastructure and agricultural business innovations
3. Lack of access to inputs
4. Weather disruptions

The food and financial crisis have added momentum to an emerging renewal of financing for agriculture and agribusiness at the World Bank group and other
international financial agencies. The augmented engagement is timely and welcome, but the crucial question concerns what steps should be taken that would lead to greater effectiveness than in the past efforts.

2.2 Promotional Strategies in Agribusiness

It can be said that the promotional strategies for agribusiness are:

1. Improved crop production techniques
2. Supply of water
3. Agrochemicals
4. Market access to farmers
5. A favorable legal and policy environment
6. Steady and timely financial provisions and interventions
2.3 Recommendation

It is in the agriculture based economics particularly those of the sub- Saharan Africa that the needs for greater productivity are greatest and success has been the most elusive

My specific recommendations are as follows:

1. **SYNERGY AND COMPLIMENTS**: it is highly recommended that the government and other financial support agencies should promote the tradition of synergy and other needed support services. The areas that drive productivity growth rates such as access to credit, access to land, transportation infrastructure, drainage, increased research operations, increased extensions services should be given improved and steady concentration by relevant stakeholders and participators in the agribusiness world.

2. **KNOWLEDGE AND CAPACITY BUILDING**: past experiences points or highlights the critical importance of capacity and knowledge building in the business world therefore, It is strongly advised that a considerable amount of resources should be steadily expended on improvement of skills and capacity base of all agribusiness owners and workers.

3. **EFFICIENCY AND SUSTAINABILITY**: sustainability is required for great success of any policy directive. An increased output flow in agricultural business depends largely on the resource efficiency use and the agribusiness investor-friendly environment. It is recommended that sustained focus should be given to both intending and existing agribusiness owners, partners, agents and workers

REFERENCES


