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# Entrepreneurship in agriculture and healthcare: Different entry strategies of care farmers



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#### ABSTRACT

Care farming provides an interesting context of multifunctional agriculture where farmers face the challenge of having to bridge the gap between agriculture and healthcare and acquire new customers, partners and financial resources from the care sector. We compared different entry strategies of different types of care farmers: varying in weak and strong multi-functionality, the degree of legitimacy and background of the initiator. Our objective is to provide insight into the key factors contributing to the development and success of care farms, in particular by focusing on the role of entrepreneurship, commitment and the ability to cope with barriers in the environment. We developed a framework based on entrepreneurship and opportunity structure. We interviewed different types of care farmers. Many of them were farmers' spouses with prior experience in the care sector. Entrepreneurship and the local and national opportunity structure, like (changes in) financing regulations, interact and explain the accessibility and growth potential of care farms. Pioneers in the emerging care farming sector faced a lack of cognitive and sociopolitical legitimacy and a mismatch with incumbent financing structures. Initially, they only succeeded with sufficient levels of entrepreneurial behavior and commitment. Having a professional background and network in the care sector was helpful in the starting phase. Later entrants experienced more legitimacy and fewer barriers as financing regulations had changed. They had different entry options: being independent or under supervision of a care organization or a regional support organization of care farms. For this latter option, newcomer problems were solved by established care organizations. However, there was a risk of becoming too dependent on established care organizations. Initiatives with weak multi-functionality failed more often than initiatives with strong multifunctionality due to unrealistic expectations and limited commitment on the part of initiators.

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#### 1. Introduction

Rural areas and the role of agriculture are undergoing fundamental changes in Western Europe (Van Huylenbroek and Durand, 2003). Changing demands from society have drawn attention to the multi-functionality of agriculture and changed the way an increasing number of farmers operate (Clark, 2009; Meerburg et al., 2009). Around the core of agricultural production, new activities and business were initiated, like recreation, food processing, nature, landscape, and water and energy services (Maye et al., 2009; Meerburg et al., 2009). This phenomenon has become widely

\* Corresponding author. E-mail address: jan.hassink@wur.nl (J. Hassink). known as multifunctional agriculture (Wilson, 2007). Different approaches have structured the debate on multifunctional agriculture in heterogeneous ways, leading to an increasingly chaotic conception (Renting et al., 2009; Leck et al., 2014), including market regulation approaches, land use approaches, actor-oriented approaches, and public regulation approaches (Renting et al., 2009).

Initially, the market regulation approach illustrated by the framework of the OECD (OECD, 2001) was influential (Renting et al., 2009). Within this perspective relevant functions that are analyzed concern positive externalities and/or negative externalities of agricultural activity that due to their 'public goods' nature are considered to be insufficiently accounted in commodity market regulations (Renting et al., 2008). This narrow focus was criticized as being too limited to understand the range of multiple functions potentially provided by agriculture like care or education services

(Renting et al., 2008, 2009). In addition it was criticized as giving insufficient insight in transformation processes at the farm level and changing motivations and networks of involved actors (Renting et al., 2009).

Other approaches apply a wider perspective and position the shift towards multifunctional agriculture against the background of the more general changes in the relations between agriculture, rural society and society at large (Van Huylenbroek and Durand, 2003; Renting et al., 2008). In this wider approach multifunctional agriculture can be seen as a transition process, from a productivist towards a non-productivist model of agriculture (Wilson, 2007, 2008). Wilson (2008) presents multi-functionality as a spectrum ranging from weak to strong multi-functionality. In this view, strong multi-functionality is characterized by strong social, economic, cultural, moral and environmental capital and low farming intensity and productivity. In this perspective, multifunctional activities should add income and employment opportunities, contribute to the construction of a new agricultural sector that corresponds to the needs and expectations of society at large and involve a radical redefinition and reconfiguration of rural resources (Marsden, 2003).

In this paper, we focus on the actor-oriented approach: the decision-making processes at the farm level (Renting et al., 2009). We realize that this cannot be seen in isolation from public regulation approaches. Legal forms of recognizing multifunctional agriculture and institutional structures and policy aspects will have implications for the access to support and choices available to farmers (Laurent et al., 2002; VanderMeulen et al., 2006). Stimulating rural development by introducing multifunctional agriculture is not an easy thing to achieve. It implies a redefinition of identities, strategies, practices, interrelations and networks (van der Ploeg et al., 2000). Multifunctional agriculture supposes new forms and mechanisms of coordination between farming and the wider society. It raises questions like how agriculture can be embedded into wider social relations and networks, and what the role is of new institutional arrangements and professional structures (Cairol et al., 2008; Ilbery et al., 1998; Renting et al., 2008). Agriculture has to coexist, negotiate and build alliances with other actors and interests (Renting et al., 2008). Breaking out of the productivist regime is often challenging (Burton and Wilson, 2006) and multifunctional farmers should be seen as rural entrepreneurs (Durand and van Huylenbroeck, 2003). They require new skills and knowledge, which are often not readily provided by the traditional support systems (Renting et al., 2008).

In this article, we focus on the challenges, activities and entrepreneurial behavior of care farmers that were necessary to be successful as pioneers, innovators and later entrants. Care farms combine agricultural production with healthcare and social services (Hassink and van Dijk, 2006; Dessein et al., 2013). It is a social innovation emerging at the cross-roads of the agricultural and healthcare sectors. They offer day care, assisted workplaces and/or residential places for clients with a variety of disabilities (Elings and Hassink, 2008). The combination of a personal and dedicated attitude on the part of the farming family, the carrying out of useful activities, and an informal and open setting within a green environment turn care farms into an appealing facility for various client groups (Hassink et al., 2010). The perceived benefits are improved physical, mental and social well-being. (Hine et al., 2008). While care farming is a growing sector in many European countries (Di Iacovo and O'Connor, 2009; Hine et al., 2008), we focus on the Netherlands, one of the pioneers in this area (Di Iacovo and O'Connor, 2009). The number of care farms in the Netherlands has increased rapidly, from 75 in 1998 to more than 1000 in 2011 (Ernst and Young, 2012).

Care farming is a term that is used in the Netherlands and in the

UK (Hassink and van Dijk, 2006; Leck et al., 2014), but the term is by no means universally accepted. In other European countries, it is called green care or social farming (Hassink and van Dijk, 2006; Di lacovo and O'Connor, 2009; Leck et al., 2014). Three discourses have been suggested in the European arena relating to the multifunctionality of agriculture, public health and social inclusion (Dessein et al., 2013). Multi-functionality is asserted to be the primary discourse in the Netherlands, Flanders and Norway, where care farming is positioned in the agricultural sector, takes place mainly on private family farms and is promoted as an additional source of farm income (Hassink et al., 2007; Leck et al., 2014). However, as an increasing number of care farms have begun to develop from outside the agricultural sector, the multifunctionality of agriculture discourse no longer completely captures what takes place in the Netherlands (Hassink et al., 2012; Leck et al., 2014). Care farms developed from outside the agricultural sector may fit better to the public health discourse, as the care services are often not new activities around an existing core of agricultural production on an existing farm, but the key focus of the initiative involved (Hassink et al., 2012).

Connecting and aligning with the care sector and ensuring funding through financial resources from this sector is crucial to the development of care services on the farm. The first care farmers were pioneers with a background in healthcare, struggling to find funding for the care services. They were committed and found creative ways to obtain sufficient finances (Hassink et al., 2014). The financial arrangements in the care sector have changed over the last decades. From 1995 onwards, care farms were funded by the AWBZ. the collective health insurance for the costs of long-term care in the Netherlands, which implied that funds were only available when the services were provided by institutions with an AWBZ accreditation (formal status of a reimbursable care provision). Many care farmers are not officially recognized as AWBZ-accredited care institutions and depend on the willingness and collaboration of accredited care institutions to fund of the care services they provide. Under the influence of the client movements, personal budgets for clients were introduced, which, in 2003, became generally available to clients, giving care farmers potential access to the AWBZ funds without having an AWBZ accreditation. After the liberalization of the care market, it became possible for regional organizations of care farms to apply for an AWBZ accreditation (Blom and Hassink, 2008). All this indicates that the environment of care farms is changing constantly and that these changes affect their access to funding. As a result, the number and diversity of care farms increased. Many of the later entrants are farmers that do not have the skills or the time to align with the care sector (Hassink et al., 2014; Seuneke et al., 2013). Over the last decade, several regional support organizations of care farmers and care organizations have developed to assist farmers in developing the care services on the farm (Hassink et al., 2012). Initiators now have the option to stay independent and develop the care services themselves, to develop a close collaboration with supporting care organizations or to outsource tasks to regional organizations of care

All these developments have resulted in a diverse sector with care farms with small and extended care activities, different types of initiators with an agricultural background or a background in healthcare, and different degrees of collaboration with support from care organizations or regional support centers. Care farms are evenly spread over the country. They are more common on dairy and mixed farms than on arable, intensive livestock and intensive horticultural farms (Hassink et al., 2007), because clients prefer diverse activities in a green environment and direct contact with animals, and care services are difficult to combine with intensive farming systems (Berget et al., 2007; Hassink et al., 2010).

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