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FARMING TOURISM: A REVIEW OF ENTREPRENEURIAL SKILLS

ABSTRACT

The topic of entrepreneurial competencies and skills in farm tourism is of great importance both in the field of tourism entrepreneurship and niche tourism management. Farmers develop a specific set of skills to meet the specific needs of farm management such as conceptual and theoretical, strategic, and forecasting, and stakeholder relationship management. Farm tourism is a distinct field, very different from farm management. This article will review the set of skills required to run a farm as a tourism business. The article argues that a lot of farm business and management competencies and skills are transferable skills, and therefore, highly compatible with farming tourism entrepreneurship.

Key words: farm tourism, entrepreneurship, competencies, skills.

JEL Classification: Q01, R11.

1. INTRODUCTION

The competency clusters for farm entrepreneurship need to address a series of opportunities, relationships, conceptual and practical elements, organisational needs, strategy and forecasting requirements, and motivational and commitment aspects. However, there is no universally agreed framework for understanding this field. Table 1 lists some of the key entrepreneurial competencies in horticulture and agribusiness according to Mulder *et al.* (2007).

Table 1

Entrepreneurial competencies in horticulture and agribusiness

Learning Orientation	Problem Analysis	Management Control
Self-Management	Organising	Value Clarification
Planning	Conceptual Thinking	Judgment
Market Orientation	Negotiating	Teamwork
Result Orientation	Persuasiveness	Strategic Orientation
Networking	Vision	International Orientation
Leadership	General Awareness	Human Resource Management

Source: Adapted from Mulde, *et al.* (2007) and Lans, *et al.* (2010), in Phelan (2014).

Lans, Verstegen and Mulder (2011), on the other hand, developed a three-factor framework for entrepreneurial competence following research with three hundred and forty-eight agrifood owner-managers in the Netherlands. This approach emphasised the competency framework, which includes competency clusters for opportunity, relationship, conceptual, organising, strategic, and commitment competencies. Lans, Verstegen and Mulder (2011) acknowledge that their results are context specific and that further empirical work is required in different sectors with different features such as farm tourism (Phelan, 2014). Table 2 presents some of these key factors and attempts to expand on their meanings and consequences.

Table 2

Analysing, pursuing, and networking in the Dutch Agrifood sector

Factor	Items/Statements
Analysing	I keep an eye on the main issues and can point out the heart of a problem (<i>conceptual</i>); I know how to describe the problems in my enterprise (<i>conceptual</i>); I easily separate facts, opinions (<i>conceptual</i>); I am very aware of my own weak and strong points (<i>commitment</i>); I can name my business goals straightaway (<i>strategic</i>); I can easily look at things from various points of view (<i>conceptual</i>); I have a clear idea of where my enterprise will be in five years (<i>strategic</i>).
Pursuing	A look for new information all the time (<i>opportunity</i>); I am continuously looking for new possibilities (<i>opportunity</i>); I am often the first to try out new things (<i>opportunity</i>); I accept challenges more often than colleagues in my sector (<i>commitment</i>); I am not easily diverted from the goals I set myself (<i>commitment</i>); I often negotiate with suppliers or buyers regarding our prices (<i>relationship</i>).
Networking	I have many networks outside the agricultural sector (<i>relationship</i>); During my presentations I can put my ideas across easily to my audience (<i>relationship</i>); I try to incorporate feedback from the public in my products (<i>commitment</i>); Cooperation with entrepreneurs in my sector is important to me (<i>relationship</i>); I'm open to criticism from others (colleagues, employees, etc) (<i>commitment</i>).

Source: Adapted from Lans, Verstegen and Mulder (2011), in Phelan (2014).

The article argues that the skills for managing a farm as a tourism business are similar. There are some specific requirements, skills and competencies associated with tourism businesses, nevertheless, the skills outlined in Table 1 and Table 2 are transferable skills. These skills combined with tourism industry specific knowledge will lead to a successful farm tourism enterprise. The article starts out by exploring some of the key skills required by farmers to conduct their day-to-day activity successfully, before expanding on the farming tourism specific skills.

2. STATE OF KNOWLEDGE

There is no standard or universally recognised framework for defining the skills and competencies required by farmers to run their business. Table 3 differentiates between entrepreneurial-linked skills and managerial-linked skills.

Based on this, Couzy and Dockes (2008) identified different types of farmers. This is significant as not all farmers embrace farm tourism or develop farm tourism management skills in the same way. The identity of the farmer, their personality, as well as a range of other factors, impact on their skills acquisition and development as farm tourism managers.

Table 3

The managerial and entrepreneurial identity of the farmer

Entrepreneurial Identity	Managerial Identity	Identity
	Yes	Modernist farmers: Aware of traditional values whilst developing a modern vision of their own, they appreciate some decisional autonomy though surround themselves with advice.
		Traditional farmers: Manage autonomously and are wary of advice, maintain the values of their parents and grandparents.
		Dependent farmers: Seeking security rather than change they are reassured by close personal support from advisors such as milk inspectors or industry figures.
Yes	Yes	Farming entrepreneurs: Adaptable to markets they aim to succeed, possess commercial and managerial skills and ability to take risks.
Yes	Yes	Entrepreneurial creators: Innovative, adaptable, able to express an original idea and see it through to its conclusion even if this takes them outside of the traditional confines of a farming framework.
	Yes	Farmers with personal life objectives: With a balance between family and profession they initiate personal, often tailor-made farming projects that are in line with their convictions and conception of life.

Source: Adapted from, Couzy and Dockes (2008), in Phelan (2014).

There are many ways to classify farming skills. Table 4 differentiates between technical, managerial, entrepreneurial, and personal maturity skills. Schallenkamp and Smith's (2008) classification is significant because it acknowledges emotional capital as a skill.

Table 4

Entrepreneurial Development System skills framework

Technical Skills	<ul style="list-style-type: none"> ○ Operational: the skills necessary to produce the product or service ○ Supplies/raw materials: skills to obtain them, as necessary ○ Office or production space: the skills to match needs and availability
Managerial Skills	<ul style="list-style-type: none"> ○ Management: planning, organising, supervising, directing, networking ○ Marketing/sales: identifying customers, distribution channels, supply chain ○ Financial: managing financial resources, accounting, budgeting ○ Administrative: people relations, advisory board relations ○ Higher order: learning, problem-solving

Table 4 (continued)

Entrepreneurial Skills	<ul style="list-style-type: none"> ○ Business concept: business plan, presentation skills ○ Environmental scanning: recognise market gap, exploit market opportunity ○ Advisory board and networking: balance independence with seeking assistance
Personal Maturity Skills	<ul style="list-style-type: none"> ○ Self-awareness: ability to reflect and be introspective ○ Accountability: ability to take responsibility for solving the problem ○ Emotional coping: emotional ability to cope with a problem ○ Creativity: ability to produce a creative solution to a problem

Source: Adapted from Schallenkamp and Smith (2008), in Phelan (2014).

De Wolf, McElwee and Schoorlemmer (2007) note a paradoxical relationship, in that ordinarily younger farmers hold less experience, but respondents indicate that it is the younger generation that is better suited and more able to develop entrepreneurial skills.

Table 5 adopts a different method to classify and make sense of the skills required. Chandler and Jansen's (1992) classification stands out because it adds political competence as a key skill. The ability to seek and secure the support of key stakeholder and influential personalities is often overlooked in skills development. McElwee and Robson (2005) identify six sets of skills that farmers require, to include:

1. business and management skills (including accountancy, financial capability, strategic planning, people management),
2. co-operation and networking skills,
3. information technology skills,
4. marketing and selling skills,
5. entrepreneurial qualities and values, and
6. technical and professional (i.e. farming) skills (Phelan, 2014).

Table 6 also talks about networking as a specific skill. Hill (2007) identifies that the essential skill requirements for farmers include: business planning, financial management, people management, sales and marketing, collaboration, leadership and risk management. However, it must be noted that while both lists above include elements that are essentially entrepreneurial, they may be more accurately described as business and management skills and competencies (Phelan, 2014). Table 7 provides a useful framework for entrepreneurial competencies.

Table 5

Self-perceived competencies of venture founders

Human / Conceptual Competence	<ul style="list-style-type: none"> ○ Organise and motivate people ○ Delegate effectively ○ Keep organisation running smoothly ○ Organising and coordinating tasks ○ Supervise, influence, lead ○ Maximise results in resource allocation ○ Organise resources
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Table 5 (continued)

Ability to recognise opportunity	<ul style="list-style-type: none"> ○ Identifying goods or services people want ○ Perceive unmet consumer needs ○ Look for products that provide real benefit ○ Seizing high-quality business opportunities
Drive to see venture through to fruition	<ul style="list-style-type: none"> ○ Make venture work no matter what ○ Refuse to let venture fail ○ Make large personal sacrifices ○ Extremely strong internal drive
Technical / functional competence	<ul style="list-style-type: none"> ○ Expertise in a technical / functional area ○ Expert at the technical part of my work ○ Stay in my area of expertise
Political competence	<ul style="list-style-type: none"> ○ Involve people with important resources ○ Venture team with complementary competencies ○ Enlist the support of key people

Source: Adapted from Chandler and Jansen (1992), in Phelan (2014).

Table 6

The skills that a farmer needs to succeed in business

Category	Underlying skills
Professional Skills	Plant or animal production skills Technical skills
Management Skills	Financial management and administration Human resource management Customer management General planning
Opportunity Skills	Recognising business opportunities Market and customer orientation Awareness of threats Innovation skills
Strategic Skills	Risk management skills Skills to receive and make use of feedback Reflection skills Monitoring and evaluation skills Conceptual skills Strategic planning skills and strategic decision-making skills Goal setting skills
Cooperation / Networking Skills	Skills to cooperate with other farmers and companies Networking skills Team-working skills Leadership skills

Source: de Wolf, McElwee and Schoorlemmer (2007, p.688), in Phelan (2014).

Table 7

A framework for entrepreneurial competencies

<ul style="list-style-type: none"> ○ Identification and definition of a viable market niche ○ Development of products of services appropriate to the firms chosen market ○ Idea generation ○ Environmental scanning ○ Recognising and envisioning taking advantage of opportunities ○ Formulating strategies for taking advantage of opportunities
<ul style="list-style-type: none"> ○ Development of the management system necessary for the long-term functioning of the organisation ○ Acquisition and development of resources required to operate the firm ○ Business operational skills ○ Previous involvement with start-ups ○ Managerial experience ○ Familiarity with industry ○ Financial and budgeting skills ○ Previous experience ○ Management style ○ Marketing skills ○ Technical skills ○ Industry skills ○ Ability to implement strategy ○ Familiarity with the market ○ Business plan preparation ○ Goal setting skills ○ Management skills
<ul style="list-style-type: none"> ○ Development of the necessary organisational culture ○ Delegation skills ○ Ability to motivate others individual and in groups ○ Hiring skills ○ Human relation skills ○ Leadership skills
<ul style="list-style-type: none"> ○ Conceptual competencies ○ Organisational skills ○ Interpersonal skills ○ Ability to manage customers ○ Mental ability to coordinate activities ○ Written communication skills ○ Oral communication skills ○ Decision making skills ○ Analytical skills ○ Logical thinking skills ○ Deal-making skills ○ Commitment competencies

Source: Mitchelmore and Rowley (2010), in Phelan (2014).

3. MATERIAL AND METHOD

The study of farm tourism entrepreneurial skills has received some academic attention. Entrepreneurship has been identified as a critical success factor for tourism industry both globally and regionally, and tourism entrepreneurs have been advocated as the essential ingredient to develop a sustainable and viable industry, given their role in establishing attractions and supporting enterprises (Szivas, 2001).

The article makes use of desk research to identify key debates and build a framework to understand farming tourism skills. Figure 1 outlines the four key areas identified in the literature.

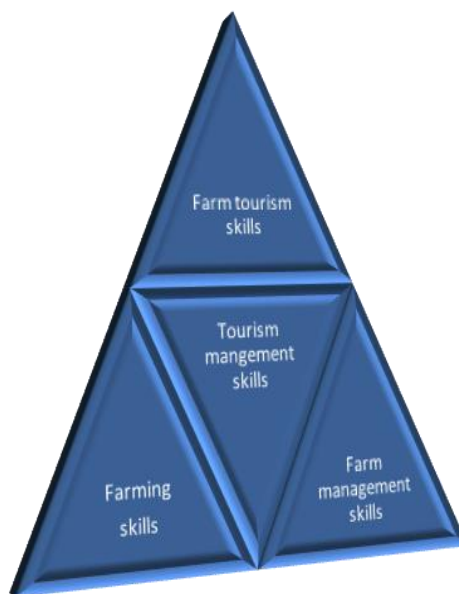


Figure 1. Farming tourism skills framework

4. RESULTS AND DISCUSSIONS

Koh and Hatten (2002) develop a typology of nine categories. Phelan (2014) summarises these as:

- “The inventive tourism entrepreneur: whose offer is entirely new to the industry, as for example, when Thomas Cook launched his tour agency.
- The innovative tourism entrepreneur: who offers something entirely new, for instance, casino hotels or the creation of Disneyland.
- The imitative tourism entrepreneur: where the enterprise offer holds little difference against the established offer, as in the case of franchisees, or differentiated motels, restaurants, and cafes etc.

- The social tourism entrepreneur: who founds not-for-profit enterprises such as museums, galleries, and community initiatives.
- The lifestyle tourism entrepreneur: who, as the name suggests, launches enterprises to support their desired lifestyle, hobby or interests with little intention of growing the venture.
- The marginal tourism entrepreneur: who operates businesses in the informal economy and is tolerated but unregulated or unregistered by government. These might include street traders, hawkers, and unlicensed tour guides.
- The closet tourism entrepreneur: who moonlights and operate enterprises alongside a full-time job.
- The nascent tourism entrepreneur: whose venture is in the creation or early stage of being establishing as a touristic enterprise
- The serial tourism entrepreneur: to include those who have founded more than one touristic organisation including those whose initial enterprise(s) may have failed.” (Phelan, 2014:115–116)

Foster, McCabe and Dewhurst (2010) offer a detailed breakdown of the management skills set required in the sector emerging from survey responses of one hundred and seventy-eight Derbyshire and Nottinghamshire firms. The questionnaire requested that respondents rate the importance of thirty-nine key management skills using a five-point Likert scale and rate the level of management competency using the same scale.

The skills measured by Foster, McCabe and Dewhurst are presented in Table 8 below and lead to some complex results according to the specific subsector analysed (i.e. Bed & Breakfasts, visitor attractions, tourist information centres etc.), but generally show deficiencies relating to marketing, customer services and financial skills (Phelan, 2014).

Table 8

Skills-related remarks made by ESoF respondents

Personal characteristics	Attitudes	Other
Flexibility, dealing with uncertainties	Positive attitude	Education
Creativity, innovation	Pro-active attitude	Experience
Ambition, motivation, commitment	Open-minded	Age
Self-knowledge	Open to new things	Gender
Feeling responsible	Attitude to feedback	
Courage to do new things	Being interested in the	
Carefulness	job	
Honesty	Risk-taking attitude	
Immunity to stress		
Communicativeness, politeness		
Humour		
Dynamism		

Source: de Wolf, Schoorlemmer and Rudmann (2007, p.112), in Phelan (2014).

What the discussion above reveals is that, further to a lack of methodological sophistication and theoretical development regarding tourism entrepreneurship generally (Li, 2008), there has also been less emphasis on the requisite entrepreneurial skills and competencies. More specifically, some limited discussion of skill has been evidenced above but the concept of entrepreneurial competencies has yet to be embraced by the tourism literature, at least not to the extent the competency frameworks have been embraced by the rural and farm entrepreneurship literature (Phelan, 2014). Table 9 summarises the key skills required to manage tourism businesses.

Table 9

Requisite skills for tourism and hospitality managers

Managing people in the business:	Training and developing others, coaching and mentoring, assessing training needs; Motivating individuals and teams; Monitor staff performance, conduct staff reviews/appraisals, praise and discipline staff effectively; Understanding team dynamics and applying team building techniques; Interviewing and recruit suitable staff.
Winning and keeping customers:	Understanding customer expectations, meeting or exceeding them and handling complaints; Differing methods of measuring customer satisfaction levels and the associated costs and benefits; Setting quality standards, monitor and evaluate them; Understanding differing quality assurance schemes; Identifying and assessing potential customer groups, their behaviour, buying patterns and needs.
Understanding and selling to your market:	Understanding the nature of tourism /hospitality business and the changing nature of the wider environment; Identifying and assessing opportunities to expand into new tourism / hospitality markets; Creating and monitoring sales/marketing campaigns and promotions; Understanding and assessing different sales / marketing channels, i.e. advantages, disadvantages, costs and benefits; Role of branding and / or corporate image.
Managing cash flow and finances:	Analysing financial performance; Financial forecasting; Understanding / monitoring budgets, cash flow, profit and loss; Sales reconciliations, Conducting cost and benefit analysis.
Creating and managing business systems:	Creating / writing business plans and understanding business development; managing resources efficiently and minimising adverse environmental impacts; Principles and activities of project management; Operating job-specific systems (e.g. labour scheduling, stock control); Role of technology in the workplace and assessing the potential for development.
Effective business networking and communication:	Principles of effective communication, selecting / applying them effectively in different contexts; Creating / delivering clear and concise presentations in ways that promote understanding; Methods for identifying and pursuing opportunities to work in partnership with others; Listening, understanding, and negotiating with others; Importance and characteristics of different stakeholders.
Managing legislation and government requirements:	The legislative and ethical restrictions related to the collecting, storing and sharing of information; Identifying responsibilities and liabilities under health and safety legislation; Identifying and ensuring compliance with responsibilities and liabilities under equality legislation and codes of practice.
General management:	Understanding linkages between decisions and business outcomes (e.g. profit, customer satisfaction); Problem solving; Making effective decisions; Time management and working under pressure; Implementing and managing workplace changes.

Source: Foster, McCabe and Dewhurst (2010), in Phelan (2014).

5. CONCLUSIONS

The article has demonstrated the complexity of skills required by a farmer to successfully run a farm tourism business. These include more than the two sets of skills a farm tourism manager or professional needs to hold, namely farm management skills and farm tourism skills mainly. But there is no agreement around what these skills are. There is a need for further, primary research driven studies. Moreover, the research by Foster, McCabe, and Dewhurst (2010) identified deficiencies in at least half of the skills presented, but noted that this did not translate into an evident desire to up skill with many businesses reporting no intention to engage in management development training, as they felt there was no clear business case to do so (Phelan, 2014).

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