

Social and Economic Problems of Agricultural Enterprises: The Case of Bayburt[§]

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ABSTRACT

Agricultural enterprises are enterprises that make significant contributions to the economic, social and cultural development of countries by engaging in agricultural production, agricultural product processing and agricultural marketing activities. It can be said that agricultural enterprises in Türkiye face many problems because they are mostly SMEs. The aim of this study is to examine the social and economic problems of agricultural enterprises based on the Bayburt example. In the study, it was deemed appropriate to use face-to-face interview technique within the scope of qualitative research method. In the interview, a questionnaire containing 32 questions about the social and economic problems of agricultural enterprises was used in addition to questions about participants and agricultural enterprises such as position, sector experience, enterprise size, enterprise title. Data were collected from 27 agricultural enterprises engaged in production, processing and marketing activities in Bayburt province. Content analysis technique was used to analyze the data. The responses of the participants were processed in depth within the scope of the themes determined in accordance with the content analysis technique, and the social and economic problems of agricultural enterprises were identified and solution suggestions were developed. As a result of the analysis, it was determined that agricultural enterprises have various problems related to management, production, marketing, finance and risk management, accounting, human resources, R&D and infrastructure, and suggestions were made within the scope of each theme. In conclusion, it is thought that this study will shed light on all agricultural enterprises operating in the sector and relevant stakeholders by addressing the existing problems, identifying the obstacles and developing recommendations.

Key words: Agricultural entrepreneurship, agricultural enterprises, social and economic problems, Bayburt.

Tarımsal İşletmelerin Sosyal ve Ekonomik Sorunları: Bayburt Örneği

ÖZ

Tarımsal işletmeler, tarımsal üretim, tarımsal ürün işleme ve tarımsal pazarlama faaliyetinde bulunarak ülkelerin ekonomik, sosyal ve kültürel gelişimine önemli katkılar sağlayan girişimlerdir. Türkiye’de tarımsal işletmelerin büyük oranda KOBİ niteliğinde olmaları nedeniyle birçok sorunla karşı karşıya kaldıkları söylenebilmektedir. Bu çalışmanın amacı, Bayburt örneğinden hareketle tarımsal işletmelerin sosyal ve ekonomik sorunlarını incelemektir. Çalışmada nitel araştırma yöntemi kapsamında yüz yüze görüşme tekniğinin kullanılması uygun görülmüştür. Görüşmede pozisyon, sektör deneyimi, işletme büyüklüğü, işletme unvanı gibi katılımcılar ve tarımsal işletmelerle ilgili soruların yanında tarımsal işletmelerin sosyal ve ekonomik sorunlarına ilişkin 32 sorunun yer aldığı bir soru formu kullanılmıştır. Bayburt ilinde üretim, işleme ve pazarlama faaliyetinde bulunan 27 tarımsal işletmeden veri toplanmıştır. Verilerin analizinde içerik analizi tekniği kullanılmıştır. Katılımcıların yanıtları içerik analizi tekniğine uygun bir biçimde belirlenen temalar kapsamında derinlemesine işlenerek tarımsal işletmelerin sosyal ve ekonomik sorunları tespit edilmiş ve çözüm önerileri geliştirilmiştir. Analiz sonucunda tarımsal işletmelerin yönetim, üretim, pazarlama, finans ve risk yönetimi, muhasebe, insan kaynakları, Ar-Ge ve altyapı ile ilgili çeşitli sorunlarının olduğu belirlenmiş olup, belirlenen her tema kapsamında

önerilerde bulunulmuştur. Sonuç olarak, bu çalışmada mevcut sorunlara değinilerek engellerin tespit edilmesinin ve geliştirilen önerilerin, sektörde faaliyet gösteren tüm tarımsal işletmelere ve ilgili paydaşlara ışık tutacağı düşünülmektedir.

Anahtar kelimeler: Tarımsal girişimcilik, tarımsal işletme, sosyal ve ekonomik sorunlar, Bayburt.

INTRODUCTION

The agricultural sector is one of the main elements of economic growth and development in rural settlements and the main source of livelihood of the local people, as well as the main elements of both domestic and foreign production sector. In this context, the strategic importance of the sector, which is increasing due to climate change and population density on natural resources, together with its critical roles in the economic, social, cultural and political lives of countries, makes it an important need to determine and correctly implement accurate agricultural policies (Karahan Uysal, 2015). On the other hand, the agricultural sector is a whole with nature, and the methods used, whether traditional or new and technological, cause the structure of components such as air, soil and water, which are important for agriculture, to deteriorate, which affects the future of the sector and brings environmental pollution and destruction of natural life. Therefore, as in other sectors, the impact and importance of the entrepreneurial function in the agricultural sector cannot be ignored. Therefore, in order for the agricultural sector to survive, not only labor force and management but also entrepreneurship is needed. Agriculture is not only considered as animal husbandry and crop production, but has a long and important value chain where new ideas and initiatives can be implemented before and after these areas rather than fields or farms. At this point, it is necessary to mention the concept of agripreneurship. Agricultural entrepreneurship involves analyzing and understanding the strategies of agricultural entrepreneurs in response to institutional changes, economic and technological disruptions to which the agricultural industry is subject (Cheriet et al., 2020). Agricultural entrepreneurship consists of four components: innovation-creativity, risk, competitiveness and pioneering (Başar et al., 2001; Ağızan, 2018). The most important initiative of agricultural entrepreneurs in the agricultural sector is to establish agricultural enterprises. According to Article 3 of the Türk Agricultural Law, agricultural enterprise is "*an enterprise that carries out agricultural activities for the production of plant and/or animal and/or aquaculture products by using production factors or that carries out activities for processing, storage, preservation and marketing in addition to the agricultural activity in question*" (Türk Agricultural Law, art. 3/i). Agricultural enterprises are categorized into three groups: enterprises engaged in agricultural production, enterprises engaged in agricultural product processing and enterprises engaged in agricultural marketing. Agricultural production enterprises are enterprises engaged in plant and/or animal production activities such as livestock breeding, greenhouse farming, poultry farming, nursery, vegetable and fruit growing. Agricultural product processing enterprises are enterprises engaged in the processing of agricultural products into other products such as tomato paste, canned food, fruit juice and pickles. Agricultural marketing enterprises are enterprises that undertake all stages of transportation of agricultural products from producers to consumers (Gökçe, 2010; Esmer and Gezer, 2021). Agricultural enterprises are the smallest building blocks of the agricultural sector, and in recent years, social, economic, technical and environmental research has been conducted on the sustainability and problems of agricultural enterprises (Bayramoğlu et al., 2014). Arı (2006) investigated the place of the agricultural sector in the economy and the current problems of the sector in Türkiye. She stated that the basic element of the agricultural strategies and policies implemented in Türkiye is stability and that creating agricultural-based industrial units and creating industrial sprouts by preventing the decrease in agricultural sufficiency without creating migration problems can be a solution. McElwee (2006) argued that agricultural producers in Europe need to acquire new skills, in short, they need to become entrepreneurs and investigated the entrepreneurial capacity of farmers. The researcher emphasized that agricultural producers need to improve their general business and management skills, planning, marketing and financial skills and that such development needs economic support and training. Benek (2007) examined the situation of agricultural enterprises in Türkiye during the harmonization process with the European Union (EU) and mentioned the differences between the EU agricultural structure and the Türk agricultural structure. He emphasized that agricultural enterprises in Türkiye have higher operating costs and limited employment areas compared to the EU and concluded that the problems in the use of modern agricultural methods, product diversity and productivity level increase as Türkiye moves from the western regions to the eastern regions and suggested that the structural problems of agricultural enterprises should be improved and turned into commercial organizations. Patel and Chavda (2013) categorized the challenges faced by agricultural entrepreneurs in India as familial, social, financial, policy and technological, while the problems faced by agricultural entrepreneurs were classified as financial problems, marketing problems, managerial problems and human resource problems. Gökkür (2016) emphasized that although the land integrity of agricultural enterprises

in Türkiye is below the world average, the profit from agricultural production is very low due to high input costs. He stated that the consolidation works carried out to increase the land size of agricultural enterprises and the new regulations on inheritance law, which are thought to prevent land fragmentation, will have positive contributions in the medium and long term, and that small and medium-sized agricultural enterprises should be supported and the exclusion of these enterprises from the market should be prevented. Bayramoğlu and Ağızan (2019) emphasized that agricultural enterprises in Türkiye are mostly family-owned and small-scale and do not have sufficient financial strength. They also stated that the fragmented land type of agricultural enterprises, insufficient education and social opportunities in rural areas, high input costs and lower per capita income compared to other sectors make it difficult to adopt new ideas and risks to be taken. Zinina and Olentsova (2020) examined the sustainable development elements of agricultural enterprises and investigated the obstacles that stand in the way of sustainable development of enterprises and their ability to resist the factors that make it difficult for enterprises to hold on in the sector. They emphasized that the sustainable development problems of agricultural enterprises can be solved by achieving an innovative structure of enterprises, developing enterprise capabilities to adapt to changes and restructuring their management structures. The researchers emphasized that the basis of these elements is economic security in general, and by explaining the basic conditions of economic security as economic independence, stability and sustainability of the national economy, they concluded that sustainable development is linked to the economic security of a country, region or enterprise.

The continuous increase in the world population increases the need for basic food, which is an indispensable factor for human life, and new methods need to be developed in agriculture in order to meet this need (Ağızan and Bayramoğlu, 2018). However, the chemicals used and the methods applied both threaten human health with the destruction of the food gene map and harm the environment and nature. With the passing process, the demand for reliable food supply and the increasing responsibility for the protection of the natural environment, the value of entrepreneurship in agricultural activities increases. Entrepreneurship is a concept focused on individualism and capitalism (Kaya, 2017), and since it is the organization of production factors (labor, nature, capital, technology and knowledge), it is an effective factor in meeting unlimited human needs. The phenomenon of entrepreneurship is an important building block for the change of the economic and social structure, which is valid mostly in developing countries, the formation of employment and new enterprise areas, and the formation of new/innovative ideas in the production sector. Considering that agriculture is one of the most important production sectors, the entrepreneurial factor is indispensable in the agricultural production function. However, it can be seen that agricultural entrepreneurship is still not at the desired level in developing countries such as Türkiye. The agricultural sector is a sector that exists. Therefore, everything that needs to be done to sustain, maintain and develop an existing sector should be implemented as soon as possible. Agricultural activities, especially in the Eastern Region of Türkiye, remain under the influence of climate and geographical features. In the region where production diversity is negatively affected, problems such as insufficient use of agricultural technology and access to the market network cause the efficiency of agricultural activities to decrease. Together with all these external influences, the problems experienced in the agricultural sector negatively affect the sustainability of agricultural enterprises. In addition to all these difficulties, the existence and multiplicity of such factors have made the existence and sustainability of agricultural enterprises important. Agricultural enterprises are enterprises that have an important role in the social, economic and cultural development of countries, and it is important to identify the problems faced by these enterprises and to develop solutions. In this context, agricultural enterprises operating in Bayburt were examined within the scope of the research, and the obstacles to the development of these enterprises and their social and economic problems were investigated and tried to be determined. It is thought that determining the problems of agricultural enterprises and making suggestions for these problems will help the sustainability of agricultural enterprises and entrepreneurs who want to invest in the sector to get to know the sector closely and will make important contributions to the strategy determination process.

MATERIAL and METHOD

Qualitative research method was used in the study. Qualitative research is a research method consisting of ideas, impressions, conversations and opinions, which aims to examine the researched subject in depth in order to obtain information on any subject (Açiler, 2020). According to Seale (1999), qualitative research method is the process of understanding known or undiscovered problems by using data collection methods such as interview, observation and document analysis and examining the facts of these problems obtained in the social environment in an in-depth, natural and interpretive way (Baltacı, 2019). In the research, it was deemed appropriate to use the interview technique, which is one of the qualitative research techniques frequently preferred by social scientists, to determine the social-economic problems of agricultural enterprises in detail, and the data were collected with a questionnaire based on the relevant literature. In the development of the

questionnaire, Ağızan (2018)'s research titled "*Analysis of the factors affecting entrepreneurship in agricultural enterprises*" was utilized. The questionnaire consists of three parts. In the first part, there are 2 questions about the position of the participants in the enterprise and their sector experience. In the second part, there are 6 questions on the size, titles, types, fields of activity, duration of activity and number of employees of the enterprises. In the third part, there are 23 questions to determine the social and economic problems of agricultural enterprises.

The population of the research consists of small, medium and large-scale agricultural enterprises engaged in agricultural production (crop production, animal husbandry, beekeeping, fishery), product processing and marketing activities within the borders of Bayburt province. Vegetable, fruit, alfalfa, wheat and oats are produced within the scope of plant production, cattle, buffalo, sheep and goat breeding is carried out within the scope of animal husbandry, organic honey production is realized within the scope of beekeeping, and trout production is carried out within the scope of fisheries. According to Dernek (2005), agricultural enterprises that produce on a maximum of 500 decares of land are small-scale, agricultural enterprises that produce on land between 501 and 5000 decares and have less than 250 employees are medium-scale, and enterprises that produce on 5000 decares and more are large-scale. In addition, agricultural enterprises that produce on land between 1 and 100 decares are small family enterprises, agricultural enterprises operating on land between 101 and 250 decares are medium family enterprises, and agricultural enterprises operating on land between 251 and 500 decares are large family enterprises (Dernek, 2005). The main reason for the choice of the population is that agricultural enterprises make significant contributions to the provincial economy in terms of production and employment level. In this context, after obtaining the fields of activity, address and contact information of the agricultural enterprises operating in the central district of Bayburt and its neighbouring villages, Aydıntepe district and its neighbouring villages, Demirözü district and its neighbouring villages from Bayburt Provincial Directorate of Agriculture and Forestry, 27 agricultural enterprise representatives selected by convenience sampling method and who could be reached were determined as the sample of the research. According to Yağar (2023), the sample size for in-depth interviews was determined as approximately 24. Therefore, it can be said that this number is sufficient in terms of sample size (Başkale, 2016). The research was conducted in February 2021 and the face-to-face interview with each participant lasted approximately 60 minutes. Content analysis technique was used to analyse the data. Content analysis is "*a research technique that aims to provide unbiased and systematic information about a text*" (Koçak and Arun, 2006). The answers given by the participants were processed in depth within the scope of the themes determined in accordance with the content analysis technique, the problems of agricultural enterprises were identified and solution suggestions were developed (Yıldırım and Şimşek, 2008).

RESULTS and COMMENTS

In this section, numerical results and content analysis results of the participants and agricultural enterprises are given in tables and commented.

Numerical Results on Participants and Agricultural Enterprises

The positions and sector experiences of the interviewed participants in the enterprises where they work are given in Table 1.

Table 1. Numerical results related to participants

	Variables	Frequency	%
Position	Owner of the enterprise	20	74,07
	Manager	7	25,93
	Total	27	100,00
Sector experience (Years)	1-10	6	22,22
	11-20	7	25,93
	21-30	4	14,81
	31-40	5	18,52
	41 and above	5	18,52
	Total	27	100,00

According to Table 1, it is seen that 74,07% of the participants are owner of the enterprise. In addition, when the experience of the participants in the sector is analysed, it is understood that there is a homogeneous

distribution and the largest share with 25,93% is represented by the participants who have been active between 11-20 years.

Results on the size, titles, types, fields of activity, duration of activity and number of employees of the agricultural enterprises selected as the research sample are given in Table 2.

Table 2. Numerical results related to agricultural enterprises

	Variables	Frequency	%
Enterprise size	Small-scale	3	11,11
	Medium-scale	18	66,67
	Large-scale	6	22,22
	Total	27	100,00
Enterprise title	Sole proprietorship	19	70,37
	Family-owned company	1	3,70
	Incorporated company	1	3,70
	Limited company	6	22,22
	Total	27	100,00
Enterprise type	Agricultural production	16	59,26
	Agricultural product processing	3	11,11
	Agricultural marketing	4	14,81
	Agricultural production and marketing	1	3,70
	Agricultural product processing and marketing	2	7,41
	Production, product processing and marketing	1	3,70
	Total	27	100,00
Field of activity	Crop production	5	18,52
	Animal production	6	22,22
	Crop and animal production	15	55,56
	Fisheries	1	3,70
	Total	27	100,00
Duration of activity (Years)	1-10	7	25,93
	11-20	6	22,22
	21-30	7	25,93
	31-40	4	14,81
	41 and above	3	11,11
	Total	27	100,00
Number of employees (Person)	1-5	15	55,56
	6-10	7	25,93
	11-15	4	14,81
	16 and above	1	3,70
	Total	27	100,00

When Table 2 is analysed, it is seen that 66.67% of the enterprises included in the research are in the medium-scale enterprise size group. The size scales of the enterprises in agricultural activities were calculated according to the amount of land they cultivate and the number of animals they own. The majority of the enterprises, 70.37%, are sole proprietorships, while 22.22% of the enterprises are limited liability companies. It is seen that the effect of small-scale family-type enterprises, which is one of the chronic problems of the agricultural sector, continues. In addition, 59.26% of the enterprises are engaged in agricultural production, 18.52% in crop production, 22.22% in animal production and 55.56% in both crop and animal production. It is understood that more than half of the agricultural enterprises within the scope of the research include plant production in addition to animal production in order to get rid of external dependency and to meet the inputs used in animal production from within the enterprise. Approximately 75% of the enterprises have been operating for 11 years or more. The number of employees of 55.56% of the enterprises was measured as 1-5 people. This situation is due to the fact that the majority of the enterprises are small-scale family enterprises, and it shows that their employees consist of family members.

Results of Content Analysis

In line with the answers given by the participants, the problems of agricultural enterprises were subjected to content analysis under 7 themes and these themes are presented in Table 3.

Table 3. Themes of analysis

Order No	Theme Name
Theme 1	Problems with management
Theme 2	Problems with production
Theme 3	Problems with marketing
Theme 4	Problems with finance and risk management
Theme 5	Problems with accounting
Theme 6	Problems with human resources
Theme 7	Problems with research and development and infrastructure

The codes that make up the analysis themes, excerpts from the participants' responses and the evaluations made are presented below respectively.

Theme 1- Problems with management

Table 4. Codes of problems with management

Theme Name	Codes
Problems with management	Inadequate theoretical/practical knowledge and trainings on management, lack of awareness and activities of cooperatives and agricultural organizations in the relevant agricultural field, thinking that such activities are not beneficial, inefficient agricultural policies, lack of supervision in this regard.

Some of the participants' responses under this theme are as follows:

P1: "I don't think the training is sufficient. There is always a need for training. I think that training on animal care and feeding or crop production should be provided at least through visual media."

P4: "No, I am not satisfied. I believe that the hand of the state should be in this sector. I believe that planned production should be carried out, the potential amount of product should be controlled and marketed at the determined price and the producer should be supported. I think that the market should be kept in balance by managing and supervising the process correctly."

P10: "I am not a member since there is no cooperative or professional association that addresses our enterprise in agricultural marketing. There is only a union of feed manufacturers to which the factories are affiliated, and I can follow it on social media."

P26: "Membership fees of cooperatives or professional organizations do not match the services provided. They charge high dues even though they do not provide any service. I don't think they have any functional benefits."

When the answers given by the participants are examined, it can be concluded that the level of knowledge of agricultural enterprise managers is not sufficient and that there is a need for practical training on agricultural management and organization, that these trainings can be provided by provincial agriculture and forestry directorates, universities and professional organizations, and that there is no awareness of cooperatives and organization in agriculture, that the necessary importance is not given to this issue because it is thought that such activities are not useful, and that agricultural policies cannot achieve their goals due to lack of supervision.

In this context, Zinina and Olentsova (2020) emphasized that the problems of agribusinesses can be solved by the innovative structure of the enterprises, the development of their capabilities to adapt to changes and the restructuring of their management structures.

Theme 2- Problems with production

Table 5. Codes of problems with production

Theme Name	Codes
Problems with production	Failure to reach the targeted production capacity due to reasons such as unfavorable market conditions, high input costs in production, inadequate utilization of current technology in production, low productivity in plant and animal production, climatic conditions affecting production negatively and limiting product diversity.

Some of the participants' responses under this theme are as follows:

P2: "In the field of animal production, we have an average of 20 cattle in our enterprise, although it varies with birth rates, and milk production varies accordingly. In crop production, we cultivate 2000 decares of 3000 decares of land in total and leave 1000 decares of land fallow. When we look at Central Anatolia and the west of Türkiye, our production capacity is low. Climatic conditions also have a great effect on this issue, so the yield is low. There is no potential to increase it because the potential of the soil and the region is unfortunately this much."

P3: "Input costs are very high. The products we produce do not cover the costs. Input costs are very unstable and increase suddenly. The calculations we make at the beginning of the year and the prices we set at the end of the year change drastically."

P6: "There are negative effects of climate in terms of increasing costs in crop and animal production stages. The production season is very limited due to the climate. This is not a region with many alternatives in terms of product diversity."

P9: "Unfortunately, we cannot use technology. We carry out our activities entirely with physical strength. Because it is very costly to have technology. We cannot make money from our work anyway. How can we invest in technology when we are struggling to sustain our existence in order not to make a loss."

P23: "The biggest problem is input costs. Of course, the unfavourable climatic conditions are also effective regionally. Because there is only one crop in this region due to unfavourable climatic conditions. In this case, input costs gain great importance."

According to the answers of the participants, it is understood that agricultural enterprises cannot reach the targeted production capacity due to the negative effects of climatic conditions on production, limiting product diversity, high input costs, insufficient utilisation of technology, low productivity and unfavourable market conditions. In this context, Gökkür (2016) emphasized that profits from agricultural activities in Türkiye are very low due to high input costs.

Theme 3- Problems with marketing

Table 6. Codes of problems with marketing

Theme Name	Codes
Problems with marketing	Lack of marketing personnel and the execution of marketing activities by the enterprise owner, insufficient level of knowledge on this subject and the need for training, the use of traditional methods such as word-of-mouth marketing in product promotion, the negative impact of variable price policies caused by fluctuations in the economy on customers, unfair competition in the sector.

Some of the participants' responses under this theme are as follows:

P3: "Since we are a family company, we carry out marketing activities ourselves. We feel the need for a lot of training. We have even applied to a programme and we will receive training support from the university."

P8: "There is an inequality of competition in the sector and especially in the region. Sometimes another enterprise can sell the product we market at the same price we buy. This leads to inequality of competition."

P15: "Our customers are generally our own circle. Since we are a well-known business in our region, we have new customer acquisitions guided by the customers who use our products in line with their satisfaction."

P18: "We have problems with unbalanced price transitions. When we work with stocks, this problem does not occur much, but if a product we buy goes up or down in price in a short time, this time there are problems in

marketing. Marketing Chain can be useful according to the way it is used. However, the extension of the chain is harmful for both the producer and the consumer. The shorter it is kept, the better."

When the answers of the participants are analysed, it can be concluded that there is no personnel responsible for marketing in agricultural enterprises and marketing activities are carried out by the owners of the enterprises, the level of knowledge of the owners of the enterprises in this regard is not sufficient and they need training, traditional methods are used in product promotion, price changes due to instability in the economy negatively affect customer demand, competition in the agricultural sector in the region is limited and unfair competition is also seen. In this context, Gökkür (2016) stated that small and medium-sized agricultural enterprises should be supported and their exclusion from the market should be prevented.

Theme 4- Problems with finance and risk management

Table 7. Codes of problems with finance and risk management

Theme Name	Codes
Problems with finance and risk management	The existence of commercial risks, unfavorable conditions and bureaucratic difficulties in the process of obtaining loans and grants, inaccuracies in the way agricultural incentives and subsidies are provided, agricultural incentives and subsidies erode and lose their usefulness in the face of high input costs, high interest rates of loans other than zero-interest loans, the perception that agricultural insurances are not useful in terms of scope and function.

Some of the participants' responses under this theme are as follows:

P4: "I have not benefited from agricultural loans. We have not used them as an enterprise due to the conditions of acquisition and interest rates, and we do not plan to use them."

P5: "We established our enterprise with our own capital. We had small cattle before. After the establishment, we started cattle and animal production. In a way, we changed our capital. We did not experience any problems except for commercial risk."

P7: "No, I don't have insurance. Frankly speaking, I don't believe that it will be useful. Insurance is narrow in scope and its conditions are heavy. When I fulfil the conditions required from the enterprise for me to have insurance, I have already eliminated the risks. Therefore, I do not need it."

P8: "We received grants for the purchase of animals in addition to our own capital. We had problems arising from both the agricultural structure and the bureaucratic structure of the region. We had a lot of bureaucratic problems during the use of the grant."

P20: "Yes, we benefit. But there are many shortcomings. The support provided does not provide any benefit when compared to input costs."

When the responses of the participants are analysed, it is seen that there are some commercial risks in the use of financial resources. In this context, it is understood that the conditions are not suitable enough and bureaucratic difficulties are experienced in the process of obtaining loans and grants, there are mistakes in the way agricultural incentives and subsidies are given, agricultural incentives and subsidies lose their benefits by melting in the face of high input costs, the interest rates of loans other than zero-interest loans are high, and therefore agricultural enterprises do not favour the use of agricultural incentives, subsidies and loans. In addition, since agricultural insurances are not considered to be useful in terms of scope and function, it can be said that agricultural enterprises do not have agricultural insurance. In this context, Bayramoğlu and Ağızan (2019) emphasized that agricultural enterprises in Türkiye are not financially adequate due to the fact that they are mostly family-owned and small-scale.

Theme 5- Problems with accounting

Table 8. Codes of problems with accounting

Theme Name	Codes
Problems with accounting	Lack of specialized accounting personnel in sole proprietorships, keeping of accounting records by the owner of the enterprise and failure to manage the accounting process correctly, lack of clarity in the amount of equity of enterprises engaged in agricultural marketing activities.

Some of the participants' responses under this theme are as follows:

P1: "We do not have professional accounting records, but I keep a personal diary due to my experience and professional experience in the sector. I follow my past profit and loss situation from here. I get support from these records in my future work."

P2: "We do not have a professional accountant, but we keep records ourselves. Otherwise, we would need to provide employment. This means extra cost for the enterprise. Therefore, we prefer to keep them ourselves."

P23: "Our enterprise has 950 bovine animals and a facility built on an area of 117,000 square metres for the care of these animals. In addition, we cultivate 5,400 decares of land for crop production. I do not have information about the past process."

According to the answers of the participants, it is understood that there are no specialised accounting personnel in agricultural sole proprietorships and the accounting records are kept by the owner of the enterprise, for these reasons, the accounting process cannot be managed correctly, and the amount of equity of enterprises engaged in agricultural marketing activities other than agricultural production and agricultural product processing is not clear. In this context, Benek (2007) suggested that agricultural enterprises should be turned into commercial enterprises by improving their structural problems.

Theme 6- Problems with human resources

Table 9. Codes of problems with human resources

Theme Name	Codes
Problems with human resources	Employees are not trained in the sector or the training provided is not sufficient, agriculture is not considered important by potential human resources, young people want to work in the agricultural sector, agriculture is not seen as a profession.

Some of the participants' responses under this theme are as follows:

P3: "No, I don't think so. In the first place, in order to have an organised agriculture, cooperatives and organisation should be fully and properly established. Apart from that, farmers should be orientated towards conscious production. In addition, the state should also provide access and convenience to this awareness. As a result of all these, I believe that the activities or practices should be audited."

P4: "No, I have not received any training. I do not consider myself sufficient. I believe that one should always improve oneself. In this regard, I try to attend agricultural fairs or conferences. Such activities have positive returns. Because this sector is a sector that requires constant vitality and needs development."

P11: "No, I don't think it is important. I think the perspective on agriculture should change. I believe that its functionality should be increased and efficiency should be increased in practice."

When the responses of the participants are analysed, it is understood that the employees of the enterprises do not receive training in the sector or the training they receive is not sufficient, theoretical training alone is not sufficient, theoretical and practical training should be given together, potential human resources do not care about agriculture, do not see agriculture as a profession, and in this context, young people do not show enough interest in agriculture. . In this context, Benek (2007) emphasized that the costs of agricultural enterprises in Türkiye are high and that they have problems in terms of employment.

Theme 7- Problems with research and development and infrastructure

Table 10. Codes of problems with research and development and infrastructure

Theme Name	Codes
Problems with research and development and infrastructure	Limited R&D studies, the use of traditional methods, inadequate irrigation facilities and the failure of the policies implemented in this regard to meet expectations.

Some of the participants' responses under this theme are as follows:

P4: "We have our own R&D activities within the enterprise. We are constantly trying new products. We try to shape our product and make it more beautiful according to customer feedback on the new products we have obtained."

P7: "I think that the policies implemented in recent years regarding irrigation and ponds are beneficial, but I do not think they are sufficient. There are steps taken by the state, but this time there is the farmer dimension of the work. Although it is obligatory, old methods are still used in irrigation."

P8: "We use medium level technology. Because we produce in wood fire and copper cauldrons in completely natural and traditional ways. This is reflected in our product quality. This is one of the reasons why customers prefer us."

According to the responses of the participants, it can be concluded that agricultural enterprises carry out limited R&D studies with their own means, they mostly use traditional methods in production and this affects the quality negatively, irrigation facilities in the region are not sufficient and the policies implemented in this regard do not provide the expected benefit. In this context, Arı (2006) argued that the main element of the agricultural strategies and policies implemented in Türkiye is stability and that it is necessary to create agro-industrial units.

As a result, it was determined that agricultural enterprises have various problems related to management, production, marketing, finance and risk management, accounting, human resources, R&D and infrastructure. In this context, Patel and Chavda (2013) categorized the problems faced by agricultural enterprises as financial problems, marketing problems, managerial problems and human resources problems.

CONCLUSION AND RECOMMENDATIONS

Agricultural enterprises are economic, social, cultural and technical units engaged in agricultural production, agricultural product processing and agricultural marketing activities and are also enterprises that have an important role in the economic growth and development processes of countries. Since agricultural enterprises in Türkiye are mostly small and medium-sized (SMEs), it can be said that they face many problems in the competitive and risk environment they are in (Gezer and Esmer, 2023). In this context, the study examined the social and economic problems of agricultural enterprises based on the Bayburt example. In the research, 27 enterprise representatives were interviewed about the problems of agricultural enterprises. The responses of the participants were evaluated under the themes of management, production, marketing, finance and risk management, accounting, human resources, R&D and infrastructure, and some inferences were made.

Since most of the agricultural enterprises are family enterprises, the management function has not been fully characterized. The functions and decisions of other functions in the enterprises are left to the monopoly of the management, whose main purpose is to maintain the family's livelihood and which consists of the family head or family members. This situation can be seen as a major obstacle to enterprises gaining a corporate identity. In addition, the fact that the management of the whole or certain parts of the enterprise is not carried out by professional managers makes it difficult to fulfill the other functions of the enterprises.

The aim of agricultural enterprises is to produce the demanded product in appropriate quantity, time, price and quality. However, compared to other sectors, production in agricultural enterprises is highly dependent on nature as well as input costs and other risks related to the sector. Especially when the climatic conditions of Bayburt are taken into consideration, it is seen that although the yield in plant production is low, the enterprises cannot reach the planned production amount with the effect of climate. The situation is similar in animal production. While agricultural enterprises cannot use up-to-date technology that will ensure efficient production in order to increase the amount of production, there are also marketing concerns for the products produced in the agricultural sector where uncertainties and risks are dominant.

Since most of the agricultural enterprises are small-scale family enterprises, they have to sell their products in a short time in order to quickly cash out the products they produce in order to realize their daily activities. On the other hand, in Bayburt, where brokers or stockists are not common, even if the producers market their products themselves, they market their products below their value by taking the cost of inputs into consideration due to the need for cash. In addition, the excess supply in the market due to unplanned production and climatic conditions is another problem in the marketing of the products produced.

While the financing of agricultural enterprises is generally composed of equity, loans, grants, supports and incentives are other financial resources of the enterprises. However, input costs and the need for cash in marketing lead to a decrease in the earnings from the products, thus depleting the equity. In addition, the high interest rates of agricultural loans and the difficulties experienced in the process of obtaining loans, as well as the low efficiency of the support or incentives provided, cause agricultural enterprises to experience financing difficulties and this situation negatively affects the sustainability of the sector.

In many agricultural enterprises, the accounting process is not managed correctly. With the complacency of being family enterprises and experience in the sector, agricultural activities carried out in enterprises are unrecorded. This situation prevents enterprises from being audited by themselves or by other stakeholders and prevents a healthy analysis of the current situation of the sector and agricultural production.

The need for human resources in agricultural activities increases periodically due to seasonal production. Human resources in agricultural enterprises are generally composed of family members. However, in agricultural production, which is dominated by uncertainties about the sector, the interest of the new generation in

agricultural activities decreases and the effort to find a job in different sectors increases. In addition, agricultural enterprises, which cannot employ personnel from external sources, employ non-specialized/uneducated personnel and cannot provide training for their existing personnel. This situation leads to low quality of goods and services, weakening the competitiveness of enterprises, waste of time and financial losses.

R&D studies are important for the development of enterprises and increase in productivity and profitability (Zerenler et al., 2007). However, it was determined that not enough budget and time could be allocated for R&D activities in agricultural enterprises. The income obtained from labor-intensive production, the inadequate level of technology in agricultural enterprises and the lack of trained personnel are the obstacles to reach the desired level in R&D studies. The spread of such studies in agricultural enterprises is directly proportional to the income level.

In line with the results of the research, some recommendations have been developed for the sector and agricultural enterprises:

According to the responses of the participants, the level of education and belief in scientific production in agricultural enterprises is quite low. It can be said that it would be appropriate to provide both theoretical and practical training, especially in the field, by universities and professional organizations, especially by provincial agriculture and forestry directorates, in order to specialize the enterprise owner or personnel engaged in agricultural activities. In addition, it should be ensured that agricultural professional unions or organizations provide trainings that increase the knowledge and skills of people engaged in agriculture and encourage enterprises by directing them to such training activities.

One of the most important problems of agricultural enterprises is input costs. While the continuous increase in input costs pushes producers engaged in agricultural activities to an unprogrammed production, it ultimately reflects negatively on the sales volume of the products obtained. Producers are crushed under the burden of input costs and are forced to sacrifice their earnings. This situation affects the sustainability of producers and negatively affects the life course of enterprises. Cash subsidies provided on the inputs used remain dysfunctional in the face of input prices. It is thought that stabilizing input prices with such supports and creating a certain market will be more beneficial for enterprises and agricultural production. In addition, necessary steps should be taken for enterprises to use scientific production methods. With the activities carried out in the light of scientific data, it is thought that production methods will become easier, production costs will decrease and productivity will increase. In addition, it can be said that conscious production by ensuring the specialization of the working personnel will be beneficial to protect the future of the sector while ensuring quality standardization in production.

The agricultural organization action in agricultural enterprises with the condition of being a member of a cooperative, professional union or professional organization is only due to the distribution of agricultural supports through these organizations. Although this situation has enabled the interaction of enterprises with unions, it has not gone beyond this. A working method should be developed in interaction with enterprises in order to obtain sufficient efficiency from unions, whose founding purpose is to protect and direct the interests of their members. It can be said that such professional associations will benefit agricultural enterprises if they perform their duties in line with the interests of their members in the agricultural field in which they operate, without pursuing any commercial or political interests. Organization is of great importance especially for the development and growth of small and medium-sized enterprises. With such professional organizations, enterprises provide production inputs at affordable prices and help to sell the products produced at their value. Some of the enterprises stated that there are no cooperatives or professional associations that can address the enterprises in their regions of operation. In such deprived regions, it is thought that it would undoubtedly be an effective and useful method for enterprises to unite, establish cooperatives and organize among themselves.

The demand from enterprises for the promotion and advertising organizations of the products produced is quite low. This situation arising from the coexistence of the producer and the regional consumer narrows the market opportunities in the regional sense. Producers see this narrowing as the lack of the existing market and shape their production accordingly. However, the fact that the products produced go beyond the regional market and are delivered to potential customers with the necessary promotions and advertisements ensures the development of the agricultural market and the increase in sales volume. In this context, necessary promotional platforms should be created by expanding fairs, conferences or organizations where agricultural enterprises can advertise and promote the products they produce, and where customers and producers can come together and interact.

It is seen that almost all of the agricultural enterprises do not keep professional accounting records. It can be said that informing and encouraging the enterprises about the importance and necessity of such records by the relevant institutions will facilitate access to healthy information about the financial status and activities of the enterprises. On the other hand, effective and efficient policies should be developed by following the

development of the agricultural sector. Although corporatization in agricultural production is not common in Türkiye, enterprises do not have sufficient knowledge and experience about the advantages of corporatization. Especially sole proprietorships need to review their accounting process and recording methods by conducting necessary studies. In addition, the corporatization of such small enterprises in order to expand their investments and enterprises enables them to benefit more easily from the support and privileges provided by the state and facilitates the development of the agricultural sector.

Ensuring adequate financing in agricultural production has always been an important problem. Although the support or incentives provided by the state have alleviated the financial burden of the enterprises to some extent, the interviewed enterprises want permanent and useful policies to be established in the sector rather than such cash supports, and the supports provided should be made functional and efficient in terms of production and therefore for the producer. In addition, it is thought that it would be beneficial for both the country's economy and agricultural activities if the supervision mechanism works actively in terms of the usage areas and forms of the supports provided.

Marketing mix elements (Gürbüz, 2018), which consist of product, price, distribution, promotion, physical evidence, people and process components and interact with each other, are generally seen by agricultural enterprises as "an issue that can be handled by dialog between buyers and sellers". It is important to provide scientific training to enterprise owners and managers about the importance and necessity of marketing. In this context, it can be said that employing a specialized personnel related to marketing activities within the enterprise will ensure the correct and effective management of marketing mix elements.

Necessary facilities should be provided to enterprises in accessing and utilizing agricultural credits. In addition, the active and efficient functioning of the supervision mechanism in this field increases the benefit of the credits used. Agricultural production is open to natural conditions and external influences. Even in this respect, the products produced are exposed to all kinds of disasters and damages. In this respect, the value of agricultural insurance in the sector is an undeniable fact. However, as seen in the research, the rate of agricultural insurance of the enterprises is quite low. The analyzed enterprises found the insurance coverage insufficient. With the necessary legal arrangements, the scope of agricultural insurances in force should be expanded, the conditions for obtaining them should be eased, and more comprehensive and protective insurances should be developed. Enterprises should be encouraged to benefit from such insurances. In addition, the fact that agricultural production is carried out consciously by the enterprises in the light of scientific data ensures that the inputs in production are used in a controlled and efficient manner.

Young generations should be made aware of the fact that the agricultural sector is at least as important and valuable as other sectors through education at high school and university level. In particular, it should be emphasized that such activities are not a sector that only low-income people living in rural areas have to deal with. In addition, the inclusion of agricultural entrepreneurship course in the curriculum is also thought to be beneficial for the development of the sector. On the other hand, it is understood that the policies implemented by the state are short-term and are temporary solutions in the sector. Especially the usefulness and scope of the support and incentive programs provided are thought-provoking. It can be said that the development of such programs for production and the implementation of policies that will develop the sector in the long term will provide more benefits to enterprises operating in agricultural production.

It is seen that agricultural enterprises do not give enough importance to R&D activities. R&D activities are of great importance for the growth of enterprises and the increase of successful entrepreneurship examples. Necessary opportunities should be created for agricultural enterprises to invest in R&D activities. It is thought that with such investments, enterprises can improve their production methods, enrich their product diversity and market their products easily.

In conclusion, a healthy and prosperous society needs a strong economy, a strong economy needs production, and many areas of production need agriculture. Therefore, a sustainable and strong structure of the sector can be achieved through innovations and keeping up with the changing age. Therefore, as a country, the most important goal should be to be a pioneer of the age and to direct the changes of the age. In order to achieve all these goals, the basic principle should be to be aware of the problems of agricultural enterprises and to spread and support the perception of agricultural entrepreneurship.

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