

ST.MARY’S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

INSTITUTE OF AGRICULTURAL AND DEVELOPMENT STUDIES

**DETERMINANTS OF FLOWER FARM LABOUR PRODUCTIVITY:**

**(THE CASE OF SELECTED FLOWERFARMS INBISHOFTU OROMIYA REGION OF ETHIOPIA.**

 **BY**

 **MIKEYAS ADDIS**

 **MARCH,2018**

 **ADDIS ABABA, ETHIOPIA**

ST.MARY’S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

INSTITUTE OF AGRICULTURAL AND DEVELOPMENT STUDIES

**DETERMINANTS OF FLOWER FARM LABOUR PRODUCTIVITY:**

**(THE CASE OF SELECTED FLOWER FARMS IN BISHOFTU OROMIYA REGION OF ETHIOPIA.)**

A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF ST.MARY’S

 UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE

 DEGREE OF MASTER OF ARTS IN DEVELOPMENT ECONOMICS

 By

**Mikeyas Addis**

 **March 2018**

 **Addis Ababa,Ethiopia**

ST.MARY’S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

INSTITUTE OF AGRICULTURAL AND DEVELOPMENT STUDIES

 APPROVAL OF BOARD OF EXAMINERS

As a member of the Board of Examiners of the Master Thesis open defense examination ,we testify that we have read and evaluated the thesis prepared by Mikeyas Addis and examined the candidate. We recommended that this thesis be accepted as fulfilling the thesis requirements for

the degree of Master of Arts in Development Economics.

Name Signature

-----------------------------------------------------

Dean of the Institute of Agriculture and Development studies

---------------------------------------------------- ---------------------------

Advisor

-------------------------------------------------- -------------------------------

External Examiner

--------------------------------------------------- ---------------------------------

Internal Examiner

----------------------------------------------------- ----------------------------------

**DECLARATION**

I hereby declare that this titled ‘’**DETERMINANTS OF FLOWER FARM LABOUR PRODUCTIVITY:”** has been written by me and it is record of my own research work. No part of this work has been presented in any previous application for another degree or diploma at any institution .All borrowed ideas has been duly acknowledged in the next and a list of reference provided.

Name Mikeyas Addissignature………………Date……………………..

 **ENDORSEMENT**

This is has been submitted to saint Mary’s university, school of Graduate studies for examination with my approval as a university advisor.

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Advisor signature and Date

**ACKNOWLEDGEMENTS**

First of all, I would like to thank God who enabled me to complete this thesis. I would like to extend my heartfelt gratitude and indebtedness to my advisor, Dr. Wondimagegnehu, whose unreserved guidance and constructive comments encouraged me to timely and successfully carry out my thesis. I greatly benefited from his quick response, expertise and exceptional practical advice during the course of my research work.

Many thanks go to staffs of flowerfarms for providing me the data. I am also grateful to my family, friends for their encouragement and moral support while I was doing the paper.

***ABSTRACT***

*This studydeterminants of flower farm labour productivity:the case of selected flower farms in bishoftuoromiya region of Ethiopia.This study focus the selected two flower farms, until the period of March to June, 2017.Thelabour productivitywas measured by output and input of the production. Determinants of flower farms labour productivity are measured by efficiency and productivity. Labour productivitywas measured by government policy. Which Sustainability wasmeasured. Efficiency and productivity are measured by physical capital, human capital and economic scale. Production was measured by innovation .Product quality was measured by physical capital.Methods of the study primary and secondary data.Methods of collection questionarie sample size from both flower farm from 500 selected 144 ,sampling procedure the researcher would be prepared the questionnaires by English and Amharic version,*

*Finally, the researcher intends to postulate that, the economic scalewasa determinant for government policy.Besides, the physical capital and public capital are determinants of government policy, Observationsof the innovation variable ofthe study imply causality for the holiday as a determinant of respective models.*

Key words; Labor production, Physical capital, Human capital, Innovation, Flower farm source, Government policy, Competition among flower farm.

**TABLE OF CONTENTS**

**DECLARATION -------------------------------------------------------------------------------------------iv**

**ENDORSEMENT ------------------------------------------------------------------------------------------v**

**ACKNOWLEDGEMENTS ------------------------------------------------------------------------------vi**

**ABSTRACT**-------------------------------------------------------------------------------------------------vii

**TABLE OF CONTENTS--------------------------------------------------------------------------------**viii

**LIST OF TABLES** -----------------------------------------------------------------------------------------xi

**LIST OF ACRONYMS**---------------------------------------------------------------------------------xii

**CHAPTER ONE**

1. INTRODUCTION……………………………………………………………..……………....1

1.1 Background of the Study ………………………………………..………………..………….1

1.2 Statement of the problem…………………………………….…..…….……………………..3

1.3 Research Question ……………………………………………………………………………4

1.4 Objectives of the study ………………………………………………………….…..…..........4

1.4.1. General Objective………………………………………………………………………..…4

1.4.2. Specific Objective……………………………………………………….............................4

1.5 Limitations of the study……………………………………………………………..………..5

1.6 significance of the study……………………………………………………………………....5

1.7 scope of the study ………………………………………………………………………….…6

1.8 organization of the thesis ……………………………………………………………………..6

**CHAPTER TWO**

2. LITERATUREREVIEW………………………………………….....………………………..7

2.1. The concepts and theories of labor productivity..……………………………….….………..7

2.1.1 Brief history of Ethiopian floriculture ……………………………………………………...7

2.1.2 The rapid growth of floriculture in Ethiopia……………………..…………………………8

2.1.3 Characteristics’ of Ethiopia floriculture industry…………………………..……………....9

2.2 Development of flour industry in Ethiopia……………………………………………………9

2.3 Productivity………………………………………………………………………………….11

2.3.1 Productivity basics……………………………………………………………………...11

2.3.2 Labor productivity in flour farms………………………………………………………13

2.4 factors affecting flour farm labor productivity…………………………………………..15

2.4.1 Physical capita …………………………………...………………………………….....15

2.4.2 Human capital……………………………………..…………………………………....16

2.4.3 Research of the flour farm………………………….………………………………….18

2.4.4 Innovation ………………………………………….……………………………………20

2.4.5 Government policy…………………………………….………………………………..22

2.4.6 Competitiveness………………………………………………………………………...22

2.5 Loan capital frame work of the study…………………………………………………..23

3 Resources Methodology……………………………………………………………………25

3.1 The study area ……………………………………………………………………………25

3.2 Research design…………………………………………….…………………………….25

3.2.1 Population and sampling……………………………………………………………….25

3.2.2 Sampling Technique……………………………………………………………………26

3.3 Data sources………………………………………………………………………………26

3.4.1 Method of data analysis………………………………………………………………30

3.5 Filed work and study seating…………………………………………………………….30

4 Result and discussion………………………………………………………………………32

4.1 Descriptive statistics………………………………………………………………………32

4.2 Correlation coefficients…………………………………………..……………………….33

4.3 Multi co linearity……………………………………………………...……………………35

4.4 Regression results………………………………………..…………..…………………..36

5 conclusion and recommendation……………………………………….…………………40

5.1 Conclusion…………………………………………………………………………………40

5.2 Recommendations………………………………………………………..………………41

 Reference……………………………………………

**LIST OF TABLES**

Table 4: 1 Descriptive Statistics…………………………………………………….…...33

Table 4:2Pearson Correlation Coefficients…………………………………………….36

Table 4:3Degree of Multicollinearityfor Variables…………….……………………..37

Table 4:4Model of summary……………………………………………………………38

Table 4: 5Coefficients .Regression Results for determinant of flower

Farm industry labor productivity ……………………………………………..……...39

|  |  |
| --- | --- |
| **ACRONYMS**DFID- Department for International Development EHPEA- Ethiopia Horticultural Producers and Exporters AssociationGDP- Growth Development ProgramStd.dev- Standard DeviationGLP – Gross Labour ProductivityTA – Total HolidayLP – Labour ProductivityCHGNI- Changes in Growth National Income per CapitalGLS- Generalized Least SquareCLRM- Classical Linear RegressionES – Economic Scale |  |