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Introductory and Advanced Agribusiness Management Courses and Food Business Courses in Undergraduate Agribusiness Degrees

National Food and Agribusiness Management Education Commission

Working Paper #4

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National Food and Agribusiness Management Education Commission

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Other NFAMEC Working Papers include

Working Paper #1: A Summary of Undergraduate Curriculum in Agribusiness Management Degrees

Working Paper #2: A Summary of Doctoral Research in Agribusiness Management, Food Business, and Industrial Organization, 1951 to 2002

Working Paper #3: Graduate Courses in Agribusiness Management

Working Paper #5: A Summary of Extension Programs in Agribusiness Management and Food Business

Working Paper #6: A Summary of Masters Degree Research in Agribusiness Management

Introductory and Advanced Agribusiness Management Courses and Food Business Courses in Undergraduate Agribusiness Degrees

Abstract

An introductory course in agribusiness management is the third most required course in agricultural economics programs. It is also one of the most widely taught after agricultural marketing and agricultural finance. Advanced agribusiness management is often a course in strategy and was not being taught in agricultural economics programs in 1985. Many of the instructors for this class have been hired in recent years. It is no surprise why case research has become more popular in recent years given its importance for use in teaching and integrating concepts in strategy courses. The number of food business courses remains small but is concentrated in departments that have a history of doctoral research in this subject. Many of these programs teach agribusiness marketing and retail or wholesale marketing.

Introductory and Advanced Agribusiness Management Courses and Food Business Courses in Undergraduate Agribusiness Degrees

One of the big changes in undergraduate agribusiness programs noted in the comparison between 1985 and 2003 curriculum was the introduction of a strategy or similar integrative course requirement in agribusiness management. In 1985 there were no such courses being taught in agricultural economics programs while in 2003, at least 24 such courses existed and were being taught at least once a year.

Another result from the comparison of curriculum in 1985 and 2003 was the increase in the number of food business courses being taught. Only three such courses were found in 1985 and 24 were found in 2003. Careers related to the distribution of food by processors, wholesalers, and retailers are becoming more important for some agricultural economics programs across the United States.

A third result noted in the study of curriculum between 1985 and 2003 was the three-fold increase in an introductory agribusiness management course in agricultural economics degrees. Often these replaced a similar requirement in farm management. At least 90 introductory agribusiness management courses were taught in 2002-2003.

The 1989 National Agribusiness Education Commission conducted a comprehensive look at the role of agribusiness in agricultural economics programs in the United States.¹ The 2003 National Food and Agribusiness Management Education Commission was charged with undertaking a similar task. In a series of working papers we examine various aspects of agribusiness management curricula among U.S. colleges and universities. In this paper, we compare the topics and format being used in

¹ Downey, W.D., ed. 1989. *Agribusiness Education in Transition: Strategies for Change*. Report of the National Agribusiness Education Commission, Lincoln Institute of Land Policy, Cambridge, MA.

introductory and advanced agribusiness management courses and food business courses being taught in agribusiness programs in the United States.

Description of the Data

We analyzed the programs of study and course offerings for the 140 baccalaureate programs in agricultural economics and agribusiness.² We found 24 programs that taught an advanced agribusiness management course and two others that had a similar course that was being proposed. This course was most often called “Agribusiness Management Strategy” or some variation of that or “Advanced Agribusiness Management.” The 24 universities are listed in Attachment A. The 90 universities that taught an introductory agribusiness management course are listed in Attachment B. We found 23 courses in “Agribusiness Marketing,” “Food Distribution,” “Food and Fiber Marketing,” or similar titles. These schools are listed in Attachment C.

We requested copies of the most current syllabus from each program. We were able to get a complete list of syllabi for advanced agribusiness management and food business courses. However, we did not have such success with the introductory agribusiness management courses and collected 47 of the 90 syllabi. Many small programs did not respond to our request. We compared prerequisites, textbooks, assignments, and other information from the syllabi for the various programs and summarized the data for each of the three courses.

² Working Paper #1: A Summary of Undergraduate Curriculum in Agribusiness Management Degrees, National Food and Agribusiness Management Education Commission.

Introductory Agribusiness Management

A variety of topics were taught in these courses but for the most part, as one would expect from an introductory survey class, they followed a format based on the textbook. Five programs used the Purdue Farm Supply game. The two most popular textbooks were Beierlein et al. and Erickson et al.^{3, 4} Seven programs required case studies and all used the Seperich et al. case studies book.⁵ Four programs combined the course with an introductory farm management course. An examination of the syllabi and textbook revealed that all four courses were really farm management (ex., all four textbooks were farm management textbooks). Fifteen courses had a class participation grade with an average of 8.93 percent. Eight programs had at least one group assignment and 12 had a required term paper. All but three programs had three or more exams with an average contribution to the overall final grade of 57.31 percent. Six programs required oral presentations.

Accounting concepts and financial ratios were included in every course as was management principles. Several courses were built around leadership concepts as opposed to more traditional introductory management concepts. About 65 percent of the courses included a module on human resource management. This module was typically one week or three class sessions.

³ Beierlein, S.G., K.C. Schneeberger, and D.D. Osburn, *Principles of Agribusiness Management*, 3rd edition., Waveland Press, Inc., 2003.

⁴ Erickson, S.P., J.T. Akridge, F.L. Barnard, and W.D. Downey. 2002. *Agribusiness Management*. 3rd edition, McGraw-Hill, New York NY.

⁵ Seperich, G., M.J. Woolverton, J.G. Beierlein, and D.E. Hahn. 1996. *Cases in Agribusiness Management* 2nd edition, Gorusch Scarisbrick Publishers, Scottsdale, AZ.

Advanced Agribusiness Management

The importance of case studies in these courses was evident. Only five of the 24 programs did not use case studies (22 percent). The five programs that did not use cases were managerial economics focused and four of the five used Besanko et al.'s *Economics of Strategy* textbook. Nine of the 18 programs that required cases used at least one case study from Harvard. The average number of cases used in the courses was 4.2 with a minimum of zero and a maximum of 11 (three programs). The most popular textbook was Thompson and Strickland's *Strategic Management* textbook.⁶

There was an average of 1.47 group assignments per semester with a range of zero (four programs) to seven (one program) group assignments. The average number of exams was 1.35 with a range of zero (five programs) to four (one program). All but one program required a term paper or project. About half (52 percent) of these papers or projects were presented orally to the class. The contribution of the term project towards the final grade was 27.42 percent with a range of 10 to 55 percent. Participating in class discussion was graded in 10 of the programs with an average contribution to the overall class grade of 15 percent. There was an average of 1.56 guest speakers in class with a range of zero (four programs) to six (one program).

Seventeen of the 24 courses required finance as a prerequisite and accounting was often a prerequisite to finance. Marketing was a prerequisite in 15 of the 24 programs. Introductory agribusiness management or business management was a prerequisite in every program. Most of the courses appear to be limited to seniors.

⁶ Thompson, A. and A.J. Strickland. 2003. *Strategic Management*. 13th edition, McGraw-Hill, New York NY.

It was evident that the competitive analysis framework of Michael Porter was taught in virtually every course. Topics such as internal and external competitive assessment were found in every course. Group projects included business plans, feasibility studies, and case study analysis. Three programs used management simulation models. It was interesting to note the background of the instructors. Of the 24 instructors, 19 were either assistant or associate professors with 17 of the instructors having been hired in the past 10 years.

Food Business

Our analysis of the syllabi revealed two types of courses. The first course was an agribusiness or food marketing course while the other was a course specifically designed to focus on food wholesaling and retailing. The former course was most often required in lieu of a traditional agricultural marketing course and required a textbook such as Schaffner et al., Beierlein and Woolverton, or Kotler and Armstrong.^{7, 8, 9} This course was more of a marketing management type course. Twelve programs were in this category. We did not include courses taught at Portland State University, St. Joseph's University, or Western Michigan University as these are not traditional land grant universities.

The second course type was aimed directly at food retailing and wholesaling. We found 11 such courses being taught in 2002-2003. Textbooks used in these courses were

⁷ Schaffner, d.J., W.R. Schroder, and M.D. Earle. 1998. *Food Marketing: an International Perspective* McGraw-Hill, New York NY.

⁸ Beierlein, J.G. and M.W. Woolverton. 1991. *Agribusiness Marketing: The Management Perspective*, Prentice-Hall, Englewood Cliffs, NJ.

⁹ Kotler, P. and G. Armstrong. 2001. *Principles of Marketing*, 9th edition, Prentice-Hall, Upper Saddle River, NJ.

varied and included Terbeek (Florida), Kahn and McAlister (Purdue), and Belonax (California State Polytechnic University, Pomona).^{10, 11, 12}

Because of the small numbers, it is difficult to make many generalizations about these courses. Eight courses required a term paper and four had graded class participation. Three used case studies. Nineteen of the 23 courses had a supplemental readings package. One used the Purdue Supermarket simulation game.

California State Polytechnic (Pomona and San Luis Obispo), Cornell University and Michigan State University offered more than one course in food retailing and wholesaling. Arizona State University, California State Polytechnic (Pomona and San Luis Obispo), University of Florida and University of Illinois offered food and agribusiness marketing as well as food retailing and wholesaling courses.

Discussion

In many respects, the large growth in strategy courses parallels what has been observed in business schools over the past 20 years. Prior to this time period, strategy was often part of a business policy course. Later, strategic planning replaced business policy, and finally strategic management has become the generally accepted term for a course in strategy. The publication of Michael Porter's book *Competitive Advantage*, which was followed by *Competitive Strategy*, introduced many programs to strategic management as a topic suitable for looking at external and internal factors affecting a firm's choice of

¹⁰ Verbeek, G.A., 1999. *Agentry Agenda: Selling Food in the Frictionless Marketplace*, Breakaway Strategies.

¹¹ Kahn, B.e. and L. McAlister. 1997. *Grocery Revolution: the New Focus on the Consumer*, Addison-Wesley, Reading, MA.

¹² Belonax, J.J. 1999. *Food Marketing*. Simon and Schuster, New York, NY.

strategy.^{13, 14, 15} In recent years, some have linked concepts from microeconomic theory to strategy.¹⁶

An advanced agribusiness management or strategy course was almost always taught as a capstone course. This is unique relative to agricultural economics degrees where a capstone course is seldom taught or required except in several cases and then it is an advanced farm management course. Virtually every syllabus discussed integration of finance, management, and marketing concepts.

Cornell University and Michigan State University were found to have a long history of doctoral research in food business.¹⁷ Not surprisingly, they also had multiple courses in food business. Management simulation games were used in six courses and all of these involved games developed by Purdue University agribusiness management faculty.

We purposely chose to look at courses that were directly related to management of agribusinesses and food companies. However, we should point out that other courses also are taught that are related to these agribusiness courses. For example, we found five courses in logistics being taught in agribusiness management programs. Similarly, we found six courses in supply chain management or vertical coordination being taught.

¹³ Porter, M. 1980. *Competitive Strategy*. The Free Press, New York, NY.

¹⁴ Porter, M. 1985. *Competitive Advantage*. The Free Press, New York, NY.

¹⁵ Others had also written about strategy during this time period but Porter is generally recognized for his contribution to getting agreement on studying the conditions whereby a firm could obtain superior performance. See the May 2002 *Academy of Management Executive* for a series of articles on Porter and his contributions to research and education.

¹⁶ Besanko, D., D. Dranove, and M. Shanley. 2004. *Economics of Strategy*, 3rd edition, John Wiley and Sons.

¹⁷ Working Paper #2: A Summary of Doctoral Research in Agribusiness Management and Food Business, 1951 to 2002. National Food and Agribusiness Management Education Commission.

Four programs taught human resource management and marketing research. It was interesting that these courses were taught at universities such as Arizona State, Cornell, Michigan State, and Purdue. These latter three programs were found to have strong doctoral programs in agribusiness management and /or food business.

Summary

An introductory course in agribusiness management is the third most required course in agricultural economics programs. It is also one of the most widely taught after agricultural marketing and agricultural finance. Advanced agribusiness management is often a course in strategy and was not being taught in agricultural economics programs in 1985. It is no surprise why case research has become more popular in recent years given its importance for use in teaching and integrating concepts in strategy courses. The number of food business courses remains small, but is concentrated in departments that have a history of doctoral research in this subject. Many of these programs teach agribusiness or food marketing and retail food or wholesale food marketing.

Attachment A

Programs with an advanced agribusiness management class that was taught in 2002-2003 include the following:

University
California State Polytechnic University, San Luis Obispo
Cornell University
Illinois State University
Iowa State University
Kansas State University
Louisiana State University
Michigan State University
Montana State University
North Dakota State University
The Ohio State University
Pennsylvania State University
Purdue University
South Carolina State University
Tennessee State University
Texas A&M University
Texas Tech University
University of Arkansas
University of Connecticut
University of Florida
University of Illinois
University of Kentucky
University of Minnesota
University of Missouri
University of Nebraska, Lincoln

Attachment B

Programs with an introductory agribusiness management class that was taught in 2002-2003 include the following:

University
Abilene Christian University
Alabama A&M University
Alcorn State University
Arizona State University
Arkansas State University
Arkansas Tech University
Auburn University
Austin Peay State University
California State Polytechnic University, Pomona
California State Polytechnic University, San Luis Obispo
California State University, Chico
California State University, Fresno
Central Missouri State University,
Clemson University
Colorado State University
Cornell University
Delaware Valley College
Dickinson State University
Eastern Kentucky University
Eastern Oregon State University
Fort Valley State University
Freed Hardeman University
Illinois State University
Iowa State University
Kansas State University
Lincoln University of Missouri
Louisiana State University
Michigan State University
Middle Tennessee State University
Mississippi State University
Missouri Valley College
Montana State University
Murray State University
New Mexico State University
North Carolina State University
North Dakota State University
The Ohio State University
Oklahoma State University
Oregon State University
Pennsylvania State University
Prairie View A&M University
Purdue University
Rutgers University

Sam Houston State University
Southeast Missouri State University
Southern Illinois University, Carbondale
Southern University
Southwest Texas State University
SUNY Cobleskill
Tabor College
Tarleton University
Tennessee State University
Tennessee Technological University
Texas A&M at Kingsville
Texas A&M University
Texas Tech University
Truman State University
University of Arizona
University of Arkansas
University of Arkansas at Monticello
University of Connecticut
University of Delaware
University of Florida
University of Georgia
University of Guam
University of Hawaii
University of Idaho
University of Illinois
University of Kentucky
University of Louisiana, Lafayette
University of Louisiana, Monroe
University of Maryland Eastern Shore
University of Minnesota
University of Minnesota, Crookston
University of Missouri
University of Nebraska, Kearney
University of Nebraska, Lincoln
University of Northwestern Ohio
University of Tennessee, Knoxville
University of Tennessee, Martin
University of Wisconsin, Platteville
University of Wisconsin, River Falls
University of Wyoming
Utah State University
Virginia Polytechnic Institute and State University
Virginia State University
Washington State University
West Texas A&M University
West Virginia University
Western Illinois University

Attachment C

Programs with a food and agribusiness marketing class that was taught in 2002-2003 include the following:

University
Auburn University
Cornell University
Abilene Christian University
California State Polytechnic University, Pomona
California State Polytechnic University, San Luis Obispo
California State University, Fresno
Illinois State University
Kansas State University
Michigan State University
North Carolina State University
The Ohio State University
University of Florida

Programs with a formal food retailing or wholesaling class that was taught in 2002-2003 include the following:

University
Arizona State University
California State Polytechnic University, Pomona
California State Polytechnic University, San Luis Obispo
Cornell University
Michigan State University
Purdue University
University of Delaware
University of Florida
University of Illinois
University of Massachusetts
University of Minnesota