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FARM MANAGEMENT RESEARCH IN MINNESOTA

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THE University of Minnesota is one of the pioneers in the field of farm management research in the United States. Our studies as a definite continuous research program cover a longer period of time than do those of any other state. This program has been more or less directly under the guidance and supervision of one individual throughout the twenty-eight years it has been in operation. This man is Dr. Andrew Boss, the oldest in point of years and continuous service of any of our state workers in the field. Although trained in the field of crops and animal husbandry and working concurrently in them, Dr. Boss' business instincts inherited from his Scotch ancestors showed up in his efforts to analyze the business organization of the farm.

Our program includes three general lines of work—cost of production studies, farm accounting studies, and survey work. Our costings work was started in 1902 and has been followed continuously since that time as the major project. At present, we have in operation one cost route covering twenty-four beef cattle farms in our principal corn producing section. We have just closed a similar study in the small grain section of northwestern Minnesota and another covering small dairy farms in the cut-over region of east-central Minnesota. Although these cost routes were first continued in one area for considerably longer periods, we are now organizing on a three-year basis. By rotating these routes about the state, we are able to keep fairly closely in touch with changes in farm organization and production costs in each of the most important production areas of the state.

Our general plan of organization is to select from twenty to thirty representative farms in one of these production areas whose operators are interested in cooperating with the university in analyzing their business. These farms are selected in as small an area as possible—usually a portion of a county. A field man is located in the community who visits each farm several times a month. The records kept include inventories, cash receipts and expenditures, feed, labor, and production records, farm plats, crop histories, livestock histories, a record of farm produce consumed in the farm home and miscellaneous reports describing

the farm resources and organization. These records are supervised and checked by the field man who then sends them into the university where a set of books are kept for each farm. From these records are computed the earnings of the farm as a unit and the cost of producing each separate product. Special emphasis is placed on obtaining costs in terms of physical units in order that they may be used in planning future reorganization.

The second line of work, farm accounting, grew out of the first. Costing is slow and expensive work. Limited funds make it necessary to confine its use to a very small number of farms. The farm accounting studies provide less detailed information about the farm business but make it possible to shift a larger burden of the work onto the individual farmer's shoulders. We are now conducting one farm accounting study covering 200 farms in an area where five years work of costing called to farmers' attention the value of farm records. Each farmer is supplied with a farm record book in which he records most of the information obtained by the detailed costings method except labor reports. A field man visits each farm several times a year to check and supervise the records and to secure uniformity in methods. The books are brought into the university at the end of the year where they are again checked and an analysis of the data is made. This project serves the double purpose of providing a large amount of farm organization data covering a community and, at the same time, teaches farmers the art of keeping and using farm records.

The survey method is used in Minnesota both as a means of studying the whole farm business and of studying special enterprises, operations, or equipment. The past year, we have conducted one general farm business analysis survey covering 260 farms. This study also included some cost data covering the potato crop. This study was designed to supply information for a type-of-farming study which I will mention later and also as a means of training students. This spring we completed a tractor survey of 100 farms in each of the three most important production areas. This project included a complete survey of the cost and performance of tractors with special emphasis on the effect of these tractors on farm organization. This will be followed by a tractor record study of fifty of these same farms and will continue through the life of the present tractor. Fifty other farmers who are buying tractors for the first time will be included in

a parallel study. This work is being done in cooperation with our Department of Agricultural Engineering.

The past year we conducted a combined accounting and survey study of twenty combine harvesters. We are continuing this work this year with about twice the number of machines. This also is in cooperation with the agricultural engineers. We are also cooperating in two other survey studies, one of fur farming, and the other of honey production. Both fur and honey production on a large scale are relatively new enterprises about which we wish to get some general information. We plan to follow the survey with some detailed accounting records on typical farms organized for these lines of production.

A fourth line of farm management work I should mention is a type-of-farming study. This was necessary in connection with our other work in order to orient our projects and determine the sphere of application of our results. We have divided the state into seven production areas based on census and crop estimates data covering the acres of the various kinds of crops grown and the numbers and kind of livestock maintained. We are now going into some further detail in attempting to determine typical farm set-ups in the several areas. The survey I previously mentioned was one of the means used.

This program of work which I have outlined represents our efforts to solve as effectively as possible, with the resources at our command, the principal farm organization problems of our state. I do not present it as a complete or a model plan. Like most institutional plans, it has developed somewhat irregularly as workers and financial support have changed. It has, however, had a continuity of direction by Dr. Boss that has probably resulted in more effective work than would be possible with changing leadership. On the other hand, it has been perhaps more highly specialized along costing and accounting lines than we would adopt at the present time. We learn by trial and experience, but whatever weakness our program may have, it has at least commanded the support of our farmer clientele and at least a fair measure of respect from our co-workers in the field.