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**CORNELL COOPERATIVE EXTENSION
FARM BUSINESS MANAGEMENT PROGRAM GUIDELINES,
SUGGESTIONS, AND RESOURCES**

**STUART F. SMITH
WAYNE A. KNOBLAUCH
GERALD B. WHITE**

**DEPARTMENT OF AGRICULTURAL ECONOMICS
NEW YORK STATE COLLEGE OF AGRICULTURE & LIFE SCIENCES
CORNELL UNIVERSITY, ITHACA, NEW YORK**

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FARM BUSINESS MANAGEMENT PROGRAM GUIDELINES,
SUGGESTIONS, AND RESOURCES

Introduction

The information and ideas contained in this bulletin are useful to Cornell Cooperative Extension agents in planning their farm management programs and activities. This publication reports Department of Agricultural Economics program offerings and available resources to agents attending the annual program development workshop held in September 1988. It contains farm business management and marketing program guidelines and suggested areas of emphasis for 1988-89.

Faculty, staff, and students at Cornell will also find that this is a useful reference. Lists of program offerings, training schools, and farm management faculty provide a valuable summary of the time and resources farm management staff contribute to extension programs.

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FARM BUSINESS MANAGEMENT AND MARKETING EXTENSION PROGRAM GUIDELINES

- A. Plan and develop a strong program.
1. A program that is well defined to meet the needs of various audiences.
 2. A program that is progressive and has a three to five year time span.
 3. A program with substance that meets current as well as long-term needs.
 4. A program well integrated with other agents and agribusiness programs.
- B. Conduct a well balanced program. Find the right combination of traditional programs, special activities, and newly conceived programs to meet the desired objectives.
1. Traditional on-going "bread and butter" programs.
 - a. Farm business summary and analysis.
 - b. Counselling with individual farm families.
 - c. Farm business planning and decision making.
 - d. Farm management newsletters and columns.
 - e. Farm taxmanship.
 - f. Economic situation and outlook.
 2. Special activities that usually involve college resources and are not repeated each year, e.g. sequential schools/workshops to meet specific goals and audiences.
 - a. Pro-Dairy/Management Skills
 - b. Human Resource Management/Labor Regulations
 - c. Transferring the Family Farm/Estate Planning
 - d. Long-Term/Strategic Planning
 - e. Milk marketing schools.
 - f. Farming Alternatives
 - g. Evaluating New Technologies
 3. Local programs initiated to meet the needs of a specific audience, to address a specific problem or to capitalize on a new opportunity.
 - a. Seminars for managers of large farms, small farms, farms with unique problems, farms with unique opportunities.
 - b. Program for limited resource farmers.
 - c. Programs for beginning farmers, seminar for senior farmers, series of schools for farm spouses, or schools for career farm workers (employees).
 - d. Farm management tours, farm management walks, whole farm study for agribusiness.
 - e. Applied research projects, e.g., survey of labor management practices, partnership agreements, custom rates, land rental rates.
 - f. Management seminars for bulk milk haulers.
 - g. Basic of on-farm computer utilization.
- C. Involve the local people in planning, developing, and evaluating the program.

MAJOR FARM BUSINESS MANAGEMENT PROGRAM AREAS OF EMPHASIS, GOALS,
RECOMMENDATIONS, AND PLANS FOR 1988-89
Source: Farm Management Retreat (June 1988) and Working Committees

A. Farm Labor Management

Definition:

- Human Resource Management including: Job Design, Management Organization, Recruitment, Selection, Hiring, Orientation, Training, Motivation, Compensation, Human Relations, Employee Problems, Performance Appraisal, Discipline, and Discharge.
- Farm Labor Regulations including: Minimum Wage, Worker's Compensation, Unemployment Insurance, Social Security, Right To Know Law/Federal Hazard Communication Standard, Income Tax and Immigration Laws.

Goal: Improve the management of our farm labor resources and enable farmers to deal more effectively with labor regulations.

Recommendations:

1. Labor Regulations

- a. More information on Right to Know Law/Federal Hazard Communication Standard.
- b. Consolidate record keeping requirements for all farm labor regulations for easy reference.
- c. Inservice training for agents on labor regulations.

2. Human Resource Management

- a. Program materials and inservice on basic human relations skills including: job analysis and design, recruitment and selection, employee compensation, dealing with employee problems and discipline, and performance appraisal.
- b. Research needed demonstrating how good human resource management pays off in dollars.

Plans (Current efforts directed at meeting program needs in farm labor management):

- 1. Agent training in personnel management skills. Instructor: Eric Osterle. September 26-28 in Ithaca.
- 2. Wage and benefit study of New York dairy farms currently in progress.
- 3. Committee headed by Bill Worth is currently addressing Right to Know/Federal Hazard Communication Standard issues.
- 4. Human Resource Management Letter Series has been completed. Bound publication will follow.
- 5. Reprinting of Labor Regulations Bulletin still in progress.

B. Farm Business Analysis and Management Skills

Definition:

- Farm accounting, business and financial records including computer application, complete farm business and enterprise analysis.
- Improving management skills, making business decisions, problem solving techniques, time management.

Goal: Enable farmers to recognize the premier importance of management and how to apply management skills.

Recommendations:

1. Plan and develop management skills workshop (two sessions).
2. Develop and use a videotape demonstrating the importance of management featuring testimony from farm and nonfarm managers.
3. Develop workbook and materials to supplement and support video used in workshops and provide reference for management skills education.
4. Continue to promote and use the farm business summary as a primary tool for business analysis, evaluation, and decision making.
5. Develop Pro-Dairy curriculum to be consistent with these goals and recommendations.

Plans:

1. Pro-Dairy - an education program(s) designed to help dairy farmers improve management skills and accelerate adoption of recommended management practices.
 - a. Introductory course, "Managing for Success", uses individual farm production situations (case studies) to teach profitable management strategies.
 - b. A "Management Clinic" following the introductory course guides each participant to appropriate in-depth production/management courses by identifying areas of the business and management practices that need improving.
 - c. In-depth production/management courses will include; profitable forage crop production, feeding for profit, strategies for a profitable future, improving management skills, milking management.
 - d. Existing or new extension programs to meet additional needs of participants will be linked to the Pro-Dairy project.
2. Require all farmers participating in any major farm business management program to summarize their farm business. Link the summary and analysis of the whole farm business to the specific area of emphasis and include it in the curriculum.

C. Strategic Planning

Definition: Long range planning to meet family and organizational goals.

Goal: To enable New York farm managers to conduct planning for a three to five year planning horizon.

Recommendations and Plans:

Farm managers, to the extent that they are able to plan effectively, often are planning on a week-to-week or annual basis. Longer-term factors, such as market trends, foreign competition, agricultural and government economic policy, labor availability, and other important external factors, are largely ignored or handled on an ad-hoc basis. This program is directed toward enabling managers to take a longer-term, strategic view of their operations and how they can organize to realize important family or organizational goals.

Progress:

Four faculty (Brake, Casler, Snyder, White) and four agents (Crispell, Hill, LeClair, and Thurgood) have formed a committee (Casler, Chairman) which met on September 7 to develop a program in this area. They were joined by Milligan and Hutt, to explore links with Pro-Dairy.

The aim is to deliver workshops and follow-up assistance to managers in the 1988-89 program year. It is not anticipated that this will be a statewide effort, but, rather an effort directed toward specific regions where farm management specialists of Pro-Dairy programs are available to follow-up with specific managers and/or farm families.

D. Transferring Management/Ownership of the Family Farm

Definition: Business agreements, legal arrangements, estate and retirement planning, income tax planning, sale/purchase considerations.

Goal: Help farm families recognize, evaluate, and choose the alternatives to fit their goals and situation when it is time to transfer management/ownership of farm assets.

Recommendations:

1. Develop an educational program for farm families called "Transferring the Family Farm":. Use regional programming and a combination of delivery methods to include case studies, video tapes, home study courses, and resource materials. Suggested topics are: Interpersonal Relationships, Business Arrangements, Estate and Retirement Planning, Tax Management and Considerations, Financial Feasibility of Sale/Transfer.
2. Identify data and research needed to support effective ongoing extension program.

Plans:

1. In-depth training for agents - January 1989.
2. Regional school(s) for farm families - January 1989.

3. Training for attorneys/CPA's (cosponsor with Bar Association) - June 1989.
4. Extension program planning and delivery should include faculty, field staff, and professionals.

E. New Practices, Technologies, and Farming Alternatives

Definition: Alternative enterprises, new production technologies and practices, capital investment decisions, specialization.

Goal: To gain a better understanding of the decision making process required to evaluate new practices, technologies, and farming alternatives, and how to apply it.

Recommendations:

1. Two important steps in this process are:
 - a. Evaluation of production feasibility, i.e. can and how will it work?
 - b. Assessment of its market potential.
2. Inservice education needed to revitalize or upgrade the application of the analysis step in the decision making process includes: capital budgeting, partial budgeting, whole farm budgeting, cash flow budgeting.
3. Provide more written information to inform agents of changing technologies and evaluation methods. Look for information from all reliable sources and share it with others.

1988-89 SCHEDULE OR PLANNED EDUCATIONAL OPPORTUNITIES
FOR BUSINESS MANAGEMENT AGENTS

September 7	Pro-Dairy Inservice - Cornell
September 8	Program Development Workshop - Cornell
September 13-16	New Field Staff Orientation - Cornell
September 26-28	Personnel Management Skills Inservice - Cornell
October 20 & 21	New York State Association of County Agricultural Agents - Clymer, New York
November 1 & 2	Training on Using Farming Alternatives Guidebook - Cornell
November 7-10	Production Agriculture Training School - Cornell
November 15 - December 9	Regional Farm Tax Schools: nine, five to six hour schools
December 12 & 13	Personal Enterprise and Small Business Management - Cornell
December 13 & 14	Economic Training School and Outlook Conference - Warren Hall, Cornell
December 15 & 16	Indepth Farm Income Tax Workshop - Syracuse, New York
January	Transferring the Family Farm, Inservice - Cornell
February	Winter Unit of Early Inservice Training For New Agricultural Agents and Specialists - Cornell
April	Indepth Study Week - Cornell
May	Mid-Year Dairy Situation and Outlook Conference - Syracuse
June	Cornell Dairy Tour
July	Summer Unit of Early Inservice Education For First Year Agents - one week - Cornell
July	Farm Unit Study For Second Year Agents - one week - Cornell

SCHEDULED CONFERENCES, SEMINARS, AND EXTENSION PROGRAMS FOR AGRIBUSINESS GROUPS

Indepth Farm Income Tax Workshop, December 15 & 16, Syracuse, New York

Agribusiness Economic Situation and Outlook conference, December 20, Cornell

Empire Managers, January-March 1989 - Cornell

Transferring the Family Farm, for attorneys and accountants - June 1989

Bankers School of Agriculture and Bankers Seminar - July 1989

FARM BUSINESS MANAGEMENT AND MARKETING FACULTY AND STAFF
WITH EXTENSION RESPONSIBILITIES

<u>Name</u>	<u>Program Area</u>
William Tomek	Department Chairman, agricultural marketing and prices. (On leave September 1 - December 31, 1988)
Jerry White	Department Extension Leader, business management and production economics for fruit, vegetable, floriculture, and ornamental horticulture businesses.
Bruce Anderson	Cooperative marketing, financing, and training of directors and management.
John Brake	W.I. Myers Professor of Agricultural Finance, New York FarmNet, Farming Alternatives.
Joe Bugliari	Agricultural law, estate planning, and business taxes.
George Casler	Capital investment, analysis, risk and uncertainty, feed and grain situation and outlook, farm taxmanship, farm management.
Carol Delaney	FarmNet resource materials.
Enrique Figueroa	Marketing nondairy products.
Olan Forker	Agricultural marketing and prices, generic milk promotion, economics of biotechnology.
Gene German	Marketing and food distribution.
Judy Green	Farming Alternatives Project.
Dale Grossman	Agricultural law, estate planning, and business taxes.
Brian Henehan	Agricultural cooperatives.
Harry Kaiser	Milk marketing.
Robert Kalter	Biotechnology and resource economics.
Wayne Knoblauch	Crop and livestock production economics, machinery economics, computer use in farm management, farming alternatives, and census interpretation and use.
Eddy LaDue	Agricultural credit and farm finance, computerized farm management decision aids, farm growth and investment analysis.
Bill Lesser	Marketing.
Tom Maloney	Farm Personnel Management, labor regulations.
Ed McLaughlin	Produce marketing and food retailing industry.
Bob Milligan	Pro-Dairy, farm management skills, economics of new technologies and dairy management practices.
Andy Novakovic	Agricultural marketing and policy.
Linda Putnam	Farm business summaries, computerized farm management decision aids.
Stuart Smith	Farm business summaries, farm taxmanship, budgeting, business arrangements, inservice agent training, ELFAC, Ag Update.

Darwin Snyder	Farm management information data collection and analysis, special studies.
Bud Stanton	Farm management and agricultural policy, evaluating new technologies, interpreting experimental results, land use, economic development and food policy.
Loren Tauer	Farm financial management including business organization.
Karen Wagner	FarmNet office supervisor.
Walt Wasserman	State and regional milk marketing program coordination, training, and materials.
Joanne Waldorph	Integrated pest management.

Pro-Dairy Staff

Guy Hutt & Clint Young	State Pro-Dairy Specialists and Coordinators.
Jonas Kauffman	Regional Pro-Dairy Specialist, Northwestern New York.
Nate Leonard	Regional Pro-Dairy Specialist, Northern New York.
John Conway	Regional Pro-Dairy Specialist, Central New York.
Stanly (Lee) Telega	Regional Pro-Dairy Specialist, Eastern New York.

Other Agricultural Economics Faculty and Staff Resources

David Allee	Resource economics; water, local government.
Dick Aplin	Agribusiness management; dairy processing and distribution.
Nelson Bills	Rural land use and public policy.
Dave Blandford	Policy and international trade.
Art Bratton	Emeritus Professor of farm business management.
Duane Chapman	Energy demand, public utilities, and environmental impact.
George Conneman	Director of Instruction, farm business management.
Jon Conrad	Marine economics and business management.
Ken Gardner	Land use, agricultural districts.
George (Bud) Hayward	Food industry management, home study program.
David Lee	Interregional trade and competition affecting New York and Northeast agricultural, transportation and ag policy.
Bob Nolan	Food industry management, home study program.
Christine Ranney	Rural resource development and public policy.
Debbie Streeter	Management information and computer applications.
Duane Wilcox	Local government.

FARM BUSINESS SUMMARY PROJECTS
 Department of Agricultural Economics
 Staff Help For 1988-89

Below is a schedule of the Agricultural Economics staff and the counties they will be working with on farm business management project summaries for 1987-88. Again this year we are planning on group summaries (including several counties) as shown below.

Wayne Knoblauch

Central New York & Central Plain Cortland, Cayuga, Madison, Onondaga, Oswego, Ontario, Seneca, Wayne, Yates

Eddy LaDue

Oneida-Mohawk Oneida, Fulton, Montgomery, Schoharie, Herkimer

Bob Milligan

Eastern Plateau Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Tioga, Tompkins

Stuart Smith

Northern New York Clinton, Franklin, Essex, St. Lawrence, Jefferson, Lewis

Hudson Valley, North Albany, Greene, Rensselaer, Saratoga, Schenectady, Washington

Southeastern New York Columbia, Dutchess, Orange, Sullivan, Ulster

Western Plain Genesee, Monroe, Niagara, Orleans, Livingston, Erie, Wyoming

New York State Beef Farms any county

George Casler

Western Plateau Allegany, Cattaraugus, Chautauqua, Steuben

New York State Poultry Summary any county

Jerry White/Allison DeMaree

Lake Ontario Fruit Farms Niagara, Orleans, Monroe, Wayne