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SEPTEMBER 1989

A.E. EXT. 89-26

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

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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 1989. It contains farm business management and marketing program guidelines and suggested areas of emphasis for 1989-90.

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 to include FarmNet requests.
 - 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. Strategic Planning
 - e. Milk marketing schools.
 - f. Farming Alternatives and LISA
 - 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 or reduced use of resources.
 - 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/workshops for agribusiness/small business.
 - g. Basics 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. Keep field staff updated on changes in labor regulations.
 - b. Provide in-service training for agents on labor regulations.
2. Human Resource Management
 - a. Continue to develop program materials on farm human resource management skills including recruitment and selection, employee compensation, dealing with employee problems, and performance appraisal.
 - b. Conduct research regarding employee attitudes and job related concerns.

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

1. Agent training in leadership, motivation, and communication skills will be conducted October 10-12 in Ithaca.
2. An information packet entitled "Understanding the New York State Farm Minimum Wage Law" will be ready for distribution to farm employees this fall.
3. Findings of the Governor's Task Force on farm labor will be distributed early in 1990.
4. Farm employee recruitment and selection resource notebook is currently being developed. The notebook is designed as a reference for agents conducting workshops on employee recruitment and selection.
5. Human resource management training of agents in the Northeast will be conducted in Albany in April 3 and 4.

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. Improve definition and teaching of management concepts by dividing it into two parts, i.e. general and operational.
2. Continue to develop materials to supplement and support video used in workshops and provide reference for management skills education.
3. Develop compatible materials for other production areas -- poultry, fruit, vegetables, etc.
4. Continue to promote and use the farm business summary as a primary tool for business analysis, evaluation, and decision making.
5. Develop and improve Pro-Dairy curriculum to be consistent with these goals and recommendations.

Plans:

1. Pro-Dairy - a series of education programs designed to help dairy farmers improve management skills and accelerate adoption of recommended management practices. (Second year.)
 - a. Introductory course, "Managing for Success", uses individual farm production situations (case studies) to teach profitable management strategies. For dairy farmers not enrolled in 1988-89.
 - 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. Management Focus Workshops to be offered again this year; profitable forage crop production, feeding for profit, strategies for a profitable future, management workshops, milking management.
 - d. A new Management Focus Workshop, "Managing With Finances" is being developed and will be available to all that complete steps a and b above.
2. Encourage 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: Enable New York farm managers to conduct planning for a three to five year planning horizon.

Situation:

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.

Recommendations:

1. Try the indirect or "back door" approach by including strategic planning educational materials in other meetings, programs, and when meeting with individual farmers, farm families, and small groups of farm families.
2. Develop strategic planning educational materials and methods for use in small groups and in counselling.
3. Video tapes
 - a. A farm management expert on strategic planning.
 - b. A group of farmers exploring strategic planning concepts as they plan a program/set priorities for their own business and family.
4. Need strategic planning for those who are considering discontinuation of farming as well as farmers who must change and adjust to maintain or improve profitability.

Plans:

1. Develop materials and strategies identified in recommendations.
2. Revise and offer strategic planning workshop developed in 1988-89 if interest and demand is strong enough.

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. Plan and develop a three session regional school for farm families.
2. Use video tapes, case studies, and innovative teaching materials and methods.

3. Place equal emphasis on transferring management as on transferring ownership.
4. Component on farm dissolution is important.
5. Opportunities for transferring management and ownership to nonfamily members needs to be addressed.
6. Develop home study course as a precursor to workshop.
7. Develop a list of questions that farm families should ask their attorney about farm transfer and estate planning.
8. Need examples showing creative ways of transferring farm assets.
9. Supplement June 1989 agent training.
10. Conduct seminars for attorneys and accountants.

Plans:

1. Develop three session educational program for farm families. Conduct in regions using a combination of delivery methods including case studies, video tapes, home study courses, and resource materials. Suggested topics include: Interpersonal relationships, business arrangements, estate and retirement planning, tax management, financial feasibility of transfer, selling the farm.
2. Continue to train Cooperative Extension field staff and develop plans to train other professionals.
3. Initiate applied research project to identify how farm assets and management are being transferred, how the transfer plans work, and what makes them successful.

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. In-service training on economics of new technologies and production practices is needed. For example, LISA projects and sustainable agriculture.
2. Develop a "CENET Library" with information on farming alternatives, new technologies and production practices.
3. Include alternative agriculture and sustainable agriculture in the Economic Outlook Conference.
4. Research and extension programs on marketing traditional and alternative products/services is needed.
5. Develop programs in commodity specific issues, i.e. bin liners and BST.

1989-90 SCHEDULE OR PLANNED EDUCATIONAL OPPORTUNITIES
FOR BUSINESS MANAGEMENT AGENTS

September 6 & 7 Pro-Dairy Inservice - Cornell

September 7 & 8 Program Development Workshop - Ithaca Sheraton Conf. Center

September 11-14 New Field Staff Orientation - Cornell

September 25-27 Extension Career Development - Thornfield Center, Cazenovia

October 10 & 11 In-Service Training For Agents on Leadership Motivation and Communication Skills, Ithaca

October 16 & 17 Unique and Diverse Educational Programs for Alternative Agriculture in the Northeast - Albany

November 6-9 Production Agriculture Training School - Cornell

November 9 & 10 New York State Association of County Agricultural Agents Annual Meeting - Ithaca

November 14 - December 15 Regional Farm Tax Schools including seven one-day schools and two-day schools in Syracuse on November 20 and 21, and Albany on December 4 and 5

December 11 & 12 Personal Enterprise and Small Business Management - Cornell

December 12 & 13 Economic Training School and Outlook Conference - Cornell

December/January Crop Insurance as a Risk Management Strategy - Cornell

February/March Pro-Dairy Management Workshops: February 15-16 Cortland, February 22-23 Canandaigua and Kingston, March 1-2 Olean and Canton

February Winter Unit of Early Inservice Training For New Agricultural Agents and Specialists - Cornell

April 3 & 4 Human Resource Management Training For Agents with Northeast, Albany

May Mid-Year Dairy Situation and Outlook Conference - Syracuse

June Farm Management Retreat (tentative)

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 Workshops, November 20 & 21, Syracuse, New York;
 December 4 & 5, Albany, New York
 Agribusiness Economic Situation and Outlook conference, December 19, Cornell
 Empire Managers, January-March 1990 - Cornell
 Northeast Agricultural Lending School and Northeast School of Rural Banking -
 June 1990

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.
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.
Bernard Erven	Visiting Professor from Ohio State University; human resource management with emphasis on human relations in the family business
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. (On leave August 1, 1989 - July 31, 1990)
Bob Milligan	Pro-Dairy, farm management skills, economics of new technologies and dairy management practices.
Andy Novakovic	Agricultural marketing and policy.
Bill Phelan	FarmNet resource materials.
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.
Walt Wasserman	State and regional milk marketing program coordination, training, and materials.

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.
Beth Claypoule	Regional Pro-Dairy Specialist, Southwestern 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.
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. (On leave September 9, 1989 - May 30, 1990)
Bob Nolan	Food industry management, home study program.
Christine Ranney	Rural resource development and public policy. (On leave July 1, 1989 - June 30, 1990)
Debbie Streeter	Management information and computer applications.
Micheline Strong & Karen Juenger	FarmNet office supervisors.

FARM BUSINESS SUMMARY PROJECTS
 Department of Agricultural Economics
 Staff Help For 1989-90

Below is a schedule of the Agricultural Economics staff and the counties they will be working with on farm business management project summaries for 1989-90. Again this year we are planning on group summaries (including several counties) as shown below.

1. DAIRY:

Wayne Knoblauch

Central New York Cortland, Cayuga, Madison, Onondaga, Oswego, Ontario,
 & Central Plain 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, Albany, Greene, Rensselaer, Saratoga, Schenectady,
 North Washington

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

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

George Casler

Western Plateau Allegany, Cattaraugus, Chautauqua, Steuben

2. OTHER:

Caroline Rasmussen and Stuart Smith

New York State any county
 Beef Farms

Darwin Snyder and George Casler

New York State
 Poultry Summary any county

Darwin Snyder, Jerry White, and Allison DeMaree

Lake Ontario Niagara, Orleans, Monroe, Wayne

Other Agricultural Economics Extension Publications

No. 89-14	Dairy Farm Business Summary, Western Plateau Region, 1988	G. Casler
No. 89-15	Dairy Farm Business Summary, Southeastern New York, 1988	S. Smith L. Putnam
No. 89-16	Income Tax Consequences of Farm Debt Cancellation and Bankruptcy	G. Casler
No. 89-17	Factors Affecting Profitability on Limited Resource Dairy Farms, New York, 1986	B. Stanton
No. 89-18	Staying Competitive Into the 21st Century: Issues and Challenges Facing the New York State Dairy Industry	O. Forker A. Novakovic
No. 89-19	Dairy Farm Business Summary, Eastern New York Renter Summary, 1988	L. Putnam S. Smith
No. 89-20	Managing for Success: A Workshop for Dairy Farm Managers	G. Hutt R. Milligan J. Kauffman III E. Claypoole
No. 89-21	Facilitator's Guide for PRO-DAIRY Workshops	G. Hutt R. Milligan J. Kauffman III E. Claypoole
No. 89-22	Management Resources	G. Hutt R. Milligan J. Kauffman III E. Claypoole
No. 89-23	Milk Production Records for Management Control	S. Telega G. Hutt
No. 89-24	Farm Management Planner	G. Hutt S. Telega
No. 89-25	Management Control Clinic	G. Hutt J. Kauffman III R. Milligan