

## **AGRIBUSINESS MANAGEMENT**

*Agribusiness Management* provides foundation concepts in agricultural business. It is a two semester course that introduces students to the principles of business organization and management from a local and global perspective, with the utilization of technology. Concepts covered in the course include; accounting and record keeping, business planning and management, food and fiber, forms of business, finance, management, sales and marketing, careers, leadership development. Students will demonstrate principles and techniques for planning, development, application and management of agribusiness systems through a supervised agriculture experience (work based learning) programs.

*Agribusiness Management* prepares students for many careers in agriculture, and more specifically agribusiness management. These careers include but are not limited to: Accountants, Ag Market Research Analyst & Marketing Specialist, Agricultural Chemical Sales, Agricultural Commodity Broker, Agricultural Economist, Agriculture Management Analyst, Business Operations Specialists, Farm and Ranch Manager, Farm Operations Manager, Farm Investment Manager, Field Service Representative, Financial Managers, General Operations Manager, Human Resource Manager, Insurance Adjuster, Insurance Sales Agent, Loan Officer, Operations Management, Rural Appraiser, and Sales Representative.

### **Course Specifications**

- DOE Code: 5002
- Recommended Grade Level: Grade 11-12
- Recommended Prerequisites: Introduction to Agriculture, Food and Natural Resources
- Credits: 1 credit per semester, maximum of 2 credits
- Counts as a Directed Elective or Elective for the General, Core 40, Core 40 with Academic Honors and Core 40 with Technical Honors diplomas
- Pathway Assessment: Dual credit course final exam
- This course is aligned with postsecondary courses for Dual Credit

#### **Dual Credit**

This course provides the opportunity for dual credit for students who meet postsecondary requirements for earning dual credit and successfully complete the dual credit requirements of this course.

#### **Application of Content and Multiple Hour Offerings**

Intensive laboratory applications are a component of this course and may be either school based or work based or a combination of the two. Work-based learning experiences should be in a closely related industry setting. Instructors shall have a standards-based training plan for students participating in work-based learning experiences. When a course is offered for multiple hours per semester, the amount of laboratory application or work-based learning needs to be increased proportionally.

#### **Career and Technical Student Organizations (CTSOs)**

Career and Technical Student Organizations are considered a powerful instructional tool when integrated into Career and Technical Education programs. They enhance the knowledge and skills students learn in a course by allowing a student to participate in a unique program of career and

leadership development. Students should be encouraged to participate in FFA, the CTSO for this area.

## **Content Standards**

### **Domain – Management and Planning**

**Core Standard 1** Apply micro- and macroeconomic principles to plan and manage inputs and outputs in an AFNR business.

#### **Standards**

- AM-1.1 Apply microeconomic principles to calculate values associated with different inputs and outputs in AFNR businesses (e.g., price, point of equilibrium, opportunity costs, marginal costs, etc.).
- AM-1.2 Assess the agricultural impact upon the U.S. gross national product and the total global economy
- AM-1.3 Assess the monetary policy in different countries and explain how it impacts AFNR businesses.
- AM-1.4 Apply economic principles as they apply to farm and agribusiness management
- AM-1.5 Recognize the value of the food and agribusiness industry
- AM-1.6 Research new and emerging technologies and their impact on the economy

**Core Standard 2** Read, interpret, evaluate and write statements of purpose to guide business goals, objectives and resource allocation.

#### **Standards**

- AM-2.1 Assess different approaches for creating statements of purpose for AFNR businesses and choose an appropriate approach to meet organizational needs.
- AM-2.2 Prepare short-term, intermediate, and long-term goals and objectives that are consistent with the statements of purpose for an AFNR business.
- AM-2.3 Read, interpret, evaluate and write a mission statement to guide business goals, objectives and resource allocation.
- AM-2.4 Make intelligent decisions using both internal and external managerial information

**Core Standard 3** Devise and apply management skills to organize and run an AFNR business in an efficient, legal and ethical manner.

#### **Standards**

- AM-3.1 Analyze the effectiveness of different management skills used in an AFNR business.
- AM-3.2 Explain how local and regional cooperatives (corporations, LLC, Sole Proprietor, Partnerships, etc. are formed, organized, and operate as a business of member patrons

- AM-3.3 Assess and describe the positive and negative impact of local, state, federal, international and industry regulation on the management and operation of AFNR businesses.
- AM-3.4 Analyze the importance of using ethical standards and/or best practices and develop methods to communicate ethical standards within AFNR businesses.
- AM-3.5 Describe farm and agribusiness management techniques and principles

**Core Standard 4** Evaluate, develop and implement procedures used to recruit, train and retain productive human resources for AFNR businesses.

**Standards**

- AM-4.1 Prepare a production and operational plan that identifies needed resources
- AM-4.2 Recruit, train and retain appropriate and productive human resources for businesses
- AM-4.3 Determine appropriate human resources for agricultural businesses
- AM-4.4 Generate compliant and competitive benefit and compensation plans for AFNR business employees.
- AM-4.5 Analyze the effects of decisions on the performance of a company and its human resources

**Domain – Record Keeping**

**Core Standard 5** Apply fundamental accounting principles, systems, tools and applicable laws and regulations to record, track and audit AFNR business transactions (e.g., accounts, debits, credits, assets, liabilities, equity, etc.).

**Standards**

- AM-5.1 Evaluate the implementation and appropriateness of accounting systems and procedures used for record keeping in AFNR businesses
- AM-5.2 Compare and contrast the benefits and limitations of different tools and services for recording, tracking, and auditing AFNR business transactions (e.g., convenience, costs, data security, etc.).
- AM-5.3 Predict and calculate the consequences of non-compliance with laws and regulations related to recording, tracking and auditing accounting information in AFNR businesses.

**Core Standard 6** Assemble, interpret and analyze financial information and reports to monitor AFNR business performance and support decision-making (e.g., income statements, balance sheets, cash-flow analysis, inventory reports, break-even analysis, return on investment, taxes, etc.).

**Standards**

- AM-6.1 Prepare and interpret financial reports to describe the performance of AFNR businesses (e.g., efficiency, profitability, net worth, financial ratios, working capital ratio, leverage, managing assets, break-even analysis, etc.).
- AM-6.2 Use accounting information to prepare financial reports associated with inventory in AFNR businesses (e.g., cost of goods sold, margins on goods, etc.).

- AM-6.3 Analyze and describe reporting requirements for different types of taxes paid by AFNR businesses (e.g., income, property, sales, employment, etc.).
- AM-6.4 Read and interpret financial documents and gain understanding of their underlying concepts (VU-AGBS 101)
- AM-6.5 Explain and interpret financial statements for farm and agribusinesses
- AM-6.6 Explain the importance of return on investment for an agricultural enterprise

**Domain – Cash Budgets and Credit**

**Core Standard 7** Develop, assess and manage cash budgets to achieve AFNR business goals.

**Standards**

- AM-7.1 Budget resources, as applied to the agricultural business, including capital, human, financial, and time
- AM-7.2 Explain the importance of a budget

**Core Standard 8** Analyze credit needs and manage credit budgets to achieve AFNR business goals.

**Standards**

- AM-8.1 Evaluate characteristics of lines of credit, loan terms, and alternatives in sources of capital (Loan application processes and loan management plans)
- AM-8.2 Identify and provide examples of liability, health, life, and property insurance
- AM-8.3 Analyze AFNR business needs to determine the necessity of loans for business operation.
- AM-8.4 Compare and contrast strategies to responsibly manage credit budgets in AFNR businesses.

**Domain – Business Planning**

**Core Standard 9** Analyze characteristics and planning requirements associated with developing business plans for different types of AFNR businesses.

**Standards**

- AM-9.1 Apply principles of entrepreneurship in businesses
- AM-9.2 Classify the characteristics of successful entrepreneurs in AFNR businesses.
- AM-9.3 Compare and contrast business plans for different types of ownership structures used in AFNR businesses.
- AM-9.4 Analyze the information needed and strategies to obtain the information to complete an AFNR business plan (e.g., SMART goals and objectives, needs assessment, cash flow projection, etc.).
- AM-9.5 Use concepts and principles underlying the managerial procedures to measure the results of business effort

**Core Standard 10** Develop production and operational plans for an AFNR business.

**Standards**

- AM-10.1 Compare and contrast the strengths and weaknesses of operational plans from different AFNR businesses to determine best practices.

AM-10.2 Identify and assess alternative production systems for a specific agricultural product.

**Core Standard 11** Identify and apply strategies to manage or mitigate risk.

**Standards**

AM-11.1 Evaluate risk management strategies for AFNR businesses (e.g., cash flow projection, analyze market trends, etc.).

AM-11.2 Analyze alternative approaches to reducing risk for AFNR businesses (e.g., insurance for product liability, property, production or income loss for personnel life and health, etc.).

**Domain – Sales & Marketing**

**Core Standard 12** - Analyze the role of markets, trade, competition and price in relation to an AFNR business sales and marketing plans.

**Standards**

AM-12.1 Analyze and describe the role of trade and price in the market structure as it relates to AFNR businesses.

AM-12.2 Compare and contrast different forms of market competition and how they can be applied to different AFNR businesses.

**Core Standard 13** - Assess, develop, and administer sales principles and skills to accomplish AFNR business objectives.

**Standards**

AM-13.1 Apply the sales process to AFNR businesses and communicate ways of accomplishing the businesses' goals and objectives.

AM-13.2 Assess different customer reactions that could be encountered during different types of sales calls used in AFNR businesses and prepare an appropriate response (e.g., objections, competitor prices, competing products, post-sale service, complaints about product, etc.).

**Core Standard 14** - Assess marketing principles and develop marketing plans to accomplish AFNR business objectives.

**Standards**

AM-14.1 Assess and select appropriate alternative marketing strategies (e.g. value-adding, branding, niche marketing, etc.) for AFNR businesses using established marketing principles

AM 14.2 Compare and contrast the strategies of marketing for products and services used in AFNR businesses (e.g., direct marketing, commodities, hedging, puts and calls, forward contracting, etc.).

AM-14.3 Perform a market analysis to gather information for marketing plans for AFNR businesses (e.g., evaluation of competitors, customers, domestic and international policy, regulations and rules, standards, etc.).

**Domain - Careers**

**Core Standard 15** Students examine the scope of career opportunities in and the importance of agriculture to the economy.

**Standards**

- AM-15.1 Evaluate the nature and scope of animal sciences in agriculture, society, and the economy
- AM-15.2 Evaluate and explore the agribusiness career opportunities in agriculture.
- AM-15.3 Identify how key organizational structures and processes affect organizational performance and the quality of products and services.
- AM-15.4 Demonstrate those qualities, attributes and skills necessary to succeed in, or further prepare for, a chosen career while effectively contributing to society.

**Domain - Leadership**

**Core Standard 16**

Students validate the necessity of leadership skills development in conjunction with participation in The National FFA Organization (FFA) as a critical component to a well-rounded agricultural education.

- AM-16.1 Acquire and demonstrate communication skills such as writing, public speaking, and listening while refining oral, written, and verbal skills.
- AM-16.2 Recognize and explain the role of the FFA in the development of leadership, education, employability, communications and human relations skills.
- AM-16.3 Examine roles within teams, work units, departments, organizations, inter-organizational systems, and the larger environment.
- AM-16.4 Acquire the skills necessary to positively influence others.
- AM-16.5 Develop a skill set to enhance the positive evolution of the whole person.

**Domain - Supervised Agriculture Experience**

**Core Standard 17** Students validate the necessity of a Supervised Agricultural Experience (SAE) program as a critical component to a well-rounded agricultural education.

**Standards**

- AM-17.1 Explain the nature of and become familiar with those terms related to an SAE program.
- AM-17.2 Explore the numerous possibilities for an SAE program which a student might develop.
- AM-17.3 Develop an individual SAE program and implement record keeping skills.