



# NUTS & BOLTS

... Teachers delivering knowledge that works to North America's Farm and Ranch Families

Volume 7 No. 1

Fall 1993

## OUR FIRST THIRTY WORDS

The first thirty words out of our mouths as babies were listened to, encouraged, "ah-ed" over, treasured, and possibly recorded, by a very interested and motivated audience.

However, you may have noticed, that as soon as you began to master the language, the attention span of everyone around you got shorter and shorter. This attention-span deficit plateaus for most people during adolescence, but surges and peaks out at a new high during marriage. That's the way our society works, no matter how good you are with words. That goes double for the printed word.

Marcia Purcell, of the American Farm Bureau Federation, and Dr. Glen Shinn, of Clemson University, both made this point clear to us during the 1993 NFRBMEA Conference in Alexandria, MN.

Marcia Purcell made her point by having us write our own Yellow Pages ads to explain our farm and ranch business management programs in pictures and a few well-chosen words. The results were hilarious, and some were even fit to print. The most popular ads were and weren't, respectively.

Dr. Shinn summed it up by saying that if you don't get your message across in thirty words or less, don't count on it getting through. We have thirty words to sum up what, where, how, and for whom we do what we do. The words we choose



The van is full of the Canadian delegation heading home from the 1993 NFRBMEA Conference in Alexandria, MN. They are full of interesting ideas for the 1994 Conference when "The Trail Ends" there in Lethbridge, Alberta.

to represent us in this world flooded with words had better be good.

This newsletter, although not limited to thirty words, is dedicated to presenting the best ideas of the National Farm and Ranch Business Management Education Association.

### ANOTHER "SHINN-ISM"

*"Knowledge is not power, but potential, until it is applied."* -- Dr. Glen Shinn

A bit of evolution produced the sentence on our masthead which I think tells the story of farm and ranch business management educators in less than twenty words. Thanks, Dr. Shinn.

### THANK YOU, JOHN

I know we said it at Alexandria, but it can't be repeated too often. Thank you, John Hest, for all the good work and creative effort you put into creating *NUTS & BOLTS* and editing it for its first six years. It was always great to get and read. I'm sure all NFRBMEA members appreciate all the work you've done to help our profession and our organization over the years. Thanks again, John, and Happy Retirement!

*"It may be easier to beg forgiveness than to ask permission."* -- Often quoted "Words to Live By", taken to heart by the instructors at Moorhead Technical College (MN).

# DELEGATE

(EDITOR'S NOTE: Ron Van Nurden, FBM Instructor at Owatonna, MN, provides this bit of advice on spreading out our workload.)

Learning to delegate jobs and organize work can make the season easier. Here are some tips on delegating work and responsibility.

- 1) Set clear priorities-- learn to separate the important from the urgent. Spend your time on management.
- 2) Decide who on your staff or family is best suited to do other jobs.
- 3) Create conditions that will enable others to succeed- run through a few steps of a job before you leave someone with it.
- 4) Try not to reverse delegate. Once a task is delegated, don't take it back.



## WHAT WAS THE QUESTION?

*"First they look for a no-cost solution, then a low-cost solution. If those don't work, they go back and see if they really have a problem before they try to buy their way out of it."* --Karl Stieglitz, Greenwood, WI, as quoted in New Farm magazine, on how New Zealand dairy farmers approach problem solving.

A special thanks to everyone who contributed to this issue or sent in articles. Please keep them coming in, especially those states outside Minnesota. We want to hear from you, too. **WP**

## GENERAL INSPECTION- Our 1993-94 NFRBMEA Officers

President Tom Risdal, Thief River Falls, MN- Tom was raised in an agricultural community south of Spokane, WA, and has taught in Idaho, North Dakota, and Minnesota. Tom has recently changed jobs, moving on from Farm Management Instructor at Barnesville, MN to Regional Agriculture Education Program Manager for the Northwest corner of Minnesota. Tom and his wife, Joanne, have five children. His interests include fishing, wood-working and public speaking.

Vice President Alan Graner, Rugby, ND- Alan and his wife, Nancy, have two children. Alan taught Vets Ag for four years and has taught Adult Farm Management for about fourteen years. He also serves as area coordinator for the North Central Region of North Dakota. Alan enjoys hunting and fishing.

Secretary Herschel Staats, Lincoln, NE- Herschel and his wife have three children and two grandchildren. He has taught at the technical school, community college, and university levels. Herschel is active in Kiwanis, Farm Bureau, and church activities. In his spare time Herschel constructs furniture, works on his computer, and indulges in the unusual hobbies of hybridizing African violets and collecting cast iron devices.

Treasurer Laurie Morris, Deer Trail, CO- Laurie and her husband, Jerry, have two children. She was raised in the San Francisco Bay area, then moved to a 4500 acre wheat farm in Eastern Colorado, which she and Jerry operate. She has been teaching at Morgan Community College since 1987. Laurie enjoys fishing, gardening, traveling, and computing in her spare time.

## POSITIVE APPROACH FOR ADULT FARM MANAGEMENT

Marvin Knell and Connie Ova, James Valley Multi-District Vocational Center (ND)

We all need to be careful that we don't get into a rut of constant conversation about busy schedules, lack of cooperation, shortage of funds, absence of interest and administration indifference, etc. You can't sell education that way.

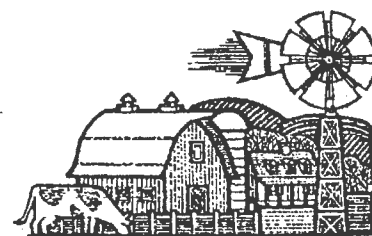
It's fine to be realistic about the prospects for farm management education in your area, but the only way you are going to get educational success is by emphasizing the positive aspects of achievement and opportunities.

It is a psychological fact that when we talk to one another about the same demoralizing subjects, we become depressed.

You know what happens to your attitude when you have to listen to a constant barrage from your farm families about their problems. Does

it have the same effect on their attitude when you come back with a story on how tough it is in your profession? Perhaps you would accomplish more by talking about the great profession you are in, the great opportunities you have available and the good farm families you have the privilege of offering educational opportunities.

Let's all stop and think about our conversations. Are we taking the positive or negative approach?



# Farm and Ranch Review

## A Quick Look at a Potential Resource

by Wayne Pike



### FarmTrac Mapping and Auto Notation Software

I'm not usually one to have my head turned by fancy hardware and flashy software, but I have been keeping my eyes open for an easy-to-use and affordable farm mapping program. *FarmTrac* fits the bill.

I have been adamantly opposed to programs which require hours to map a farm into a computer, only to have the machine regurgitate facsimiles of ASCS aerial photos. If it isn't faster, cleaner, clearer and more usable than pencil on paper, why waste the time? Effort in, garbage out.

*FarmTrac* is a program for those farmers who insist on computerizing everything and have the time to do it. The entire manual is less than an inch thick. The tutorial and demo file will have you drawing within an hour. There is an icon for each implement, enterprise, operation and worker so who did what, where and how can all be recorded. The icons are very attractive and you can add and subtract icons as needed.

From an educator's point of view, this is a good program to have loaded and ready to demonstrate the basics of computer-aided design and mapping. And for only \$25 for the educator's version, it can't be beat.

Support seems good and when you call them you may find yourself talking directly to Norm Teegartin, the president, CEO and developer of *FarmTrac*.

Drawbacks? This program is almost too cheap to talk

seriously about drawbacks. Aside from clicking the wrong icon and getting tossed out of the program a few times, I found that it works very smoothly even for the inexperienced user. It takes a few moments for this program to load its various components, but delays while actually working are minimal.

You'll need some horsepower and high-octane in your think-tank. You must have at least a 386 with 10 megs on the hard drive and 4 megs of RAM, a VGA monitor, Windows 3.1 and a mouse. If you've been avoiding CAD and mapping programs like I have, this is definitely the train to get on.

Watch this company. You may want to be on their mailing list when they come out with their accounting and herd health-genealogy programs, both operating out of Windows, and both in the \$300-\$500 price range. To order or for more information, contact:

#### Farm Works Software

A Division of CTN Data Service, Inc.

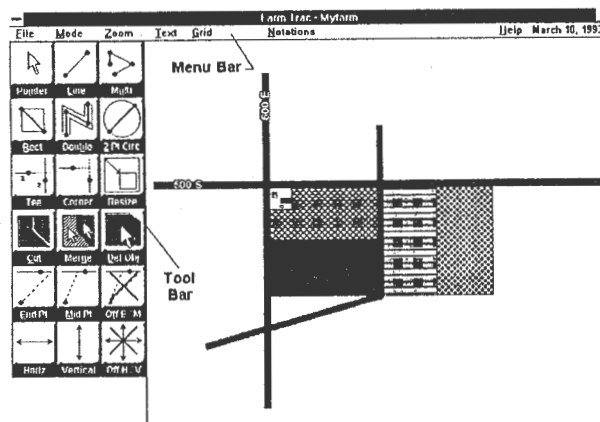
P.O. Box 250

Hamilton, IN 46742-0250

1-800-225-2848 or FAX: (219)488-3737

Cost: \$115 for farmer package; \$25 for a fully operational educator's version.

If you've come across new software, hardware, books or other teaching materials that you'd recommend, we'd like to hear about it.



## MANAGEMENT TOOLS AND THEIR WORTH

by James Kastanek, farm management consultant, Total Agri-Business Services, Inc., Albany, MN

How would you like to get \$9.00 to \$20.00 for every dollar you invest? No, I am not talking about the lottery. I am talking about everyday tools available to every farm operator. Most of the time these tools are not used. Instead, we make impulse decisions that make us feel good for a short period of time. Many times these impulse decisions have the reverse impact on what we want to accomplish because we don't know and understand the returns that come from these practices.

When cash flow gets short, people cut out the very things that will help them. They say, "I can't afford it." Maybe their response should be, "I can't afford to be without it. It is a cash multiplier. I need it to improve my cash flow."

### SOME EXAMPLES OF CASH MULTIPLIERS:

DHIA- Today, less than 39% of cows are enrolled. What is the benefit of DHIA? DHIA herds average 18,491 pounds of milk per cow. Non-DHIA herds average about 5,500 pounds of milk per cow less than DHIA herds. DHIA herds had \$1,184 per cow income over feed, non-DHIA herds had \$561 per cow over feed costs which is a difference of \$623 per cow. The average

cost of DHIA is about \$20 per cow per year. \$623 returned for \$20 invested equals \$31.15 returned for every dollar invested.

Feed testing and rations = \$24.60 return/dollar invested.

Enrollment in a farm management program = \$3.93 to \$9.93 return/dollar invested.

Good weed control program = \$7.00 return/dollar invested.

Nitrogen sidedress on corn = \$5.00 return/dollar invested.

Fertilizer on corn, oats, wheat, and alfalfa = \$3.00 to \$5.00 return/dollar invested.

Buying good seed versus non-certified seed = \$4.00 to \$6.00 return/dollar invested.

On the other hand, a 100 horsepower tractor used 600 hours per year costs \$16.97 per hour or \$10,182 per year. A \$16,000 car or pickup driven 12,000 miles per year costs around 40 cents per mile or \$4,800 per year.

Many times the last two options are chosen over the rest of the list. It seems it is easier to purchase iron than management practices. The initial choice makes a big difference in the end. If you want to stay in business farming today, you have to make maximum use of cash multipliers.

## A FRANCIS FABLE OF REAL LIFE

(EDITOR'S NOTE: How do you teach economic principles? Gene Francis found a fun way. Gene is a former FBM instructor who, with his son, Scott, operates Prairie Farm Management, Inc., in Blooming Prairie, MN)

Henry and Mathilda Fieldmouse lived on the edge of Farmer Brown's cornfield. It was a fine morning in October and Henry and Mathilda had several decisions to make.

Henry wanted to rush right out and gather more seeds and berries for their winter food supply, but Mathilda suggested they should have a leisurely breakfast with the children since young Jimmy would be leaving for Rodent College in the morning to learn about entrapment. Henry agreed, but he worried about the future of their food supply. He decided Mathilda was right to give up the opportunity for a larger food supply to enjoy family time.

Later that day, the Fieldmouses had much bigger decisions to make. Old John Prairie-Mouse came over and offered to sell his yard-square "seed patch" to them on a contract. His down payment would be a share of their food supply. He was planning to move to a warmer climate on the south slope of Brown's forty. Just as they were considering this, Homer Woodsmouse scratched on the door and offered to sell them a supply of twigs to build a new "livestock" barn for their "milk ants" in return for a share of their berries and seeds.

The Fieldmouses were perplexed. Which of these opportunities should they accept? While they had a plentiful winter supply of seeds and berries, they could not take on both of these offers. They must do one or the other or neither. They would be taking some risk to invest in either

venture if the winter was long and severe. Predators were everywhere!

The Fieldmouses were dealing with one of the most important economic concepts of farm business management. How do you invest your available resources in the most profitable opportunity? Available resources include dollars, management expertise, labor, land and individual or family responsibility. Available resources can be owned or rented. Opportunity cost is the return you will not earn from other possible investments because you have used all or many of your resources to service the project at hand.

As you make decisions about how to use or invest the resources available to you, keep the Fieldmouses and the concept of "opportunity cost" uppermost in mind.

## YOUR BUSINESS IS A MEMBER OF YOUR FAMILY

(EDITOR'S NOTE: Norm Skarstad, FBM Instructor at Alexandria TC (MN), presented an insightful and innovative view of the dynamics of farm and family life at our summer conference. He has summarized his comments for us in the following article.) Over the years many of us have insisted that farmers need to separate the business from personal emotion; that we are involved in a business separate from a way of life and have been joined in this chorus by other professionals ranging from newspaper and magazine reporters to extension personnel.

While I have been a member of the chorus, I am beginning to question the extreme to which we have taken this approach and offer another look from a different perspective.

In my study of dysfunctional

families and the importance of meeting the needs of individuals, the correlation to meeting the needs of business enterprises was obvious.

If we would begin to treat the business as a member of our healthy family we would make sure that each enterprise in our business is nurtured and protected from abuse. We will not abuse one enterprise and give credit to another. We will not abuse the family and pamper the business. We will not abuse the business and pamper the family.

To accomplish this we must, of course, talk to the business. Our job is to teach the language of business and the management discipline to listen to what the business is trying to tell us. When we truly understand the needs of the business and the

needs of the family, we make different decisions. Likewise, it is vital to learn more about the language and needs of the family. This is an area that scares many people, but it can be done in a non-judgmental, freeing manner.

In a pilot class this past winter, we saw positive response in that families did communicate, did restructure, and did prioritize in order to better meet the needs of everyone involved. The key is to learn to make the study of dysfunctional families a safe topic to address and the study of dysfunctional business a safe topic to address. We begin by finding solutions and forget about finding fault or blaming. We are making progress in this direction and are eager to share what we know so far.

## EMBARRASSMENT!

Embarrassment is a long word for a strong emotion. We all know what it feels like and generally do well to avoid it. Embarrassment is a powerful learning tool.

Paul Gorman, FBM instructor from Mankato, MN, shared an embarrassing true story at the annual Storytelling Contest at the 1993 Conference in Alexandria. Briefly, what he said to the farmer was, "You are a family of four, aren't you?" What she heard was, "You are really poor, aren't you?"

Paul perceived a change in the mood between them and was able to back up and cover what could have been a social black eye for him and his farm management program. I would guess that Paul learned a lesson from this experience and he has taken precautions since to make sure he is understood.

We are communicators and if we are communicating, we are certainly *mis*communicating. Everyone gets a message, but not everyone hears it the same way. This may be particularly true where our teaching takes us to the farms and into the homes and families of our students.



We enjoyed hearing Paul's story and I know I have been in that place many times. Do YOU have an embarrassing "teachable moment" to share?

✂

**TO: Wayne Pike**  
 Editor, *NUTS & BOLTS*  
 Rt. 1, Box 217A  
 LeRoy, MN 55951-9801

Here's my check for: **ACTIVE** \_\_\_\_\_ \$10.00  
**ASSOCIATE** \_\_\_\_\_ \$ 5.00  
 Membership in National Farm and Ranch Business  
 Management Education Association for 1993- 94.

**NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

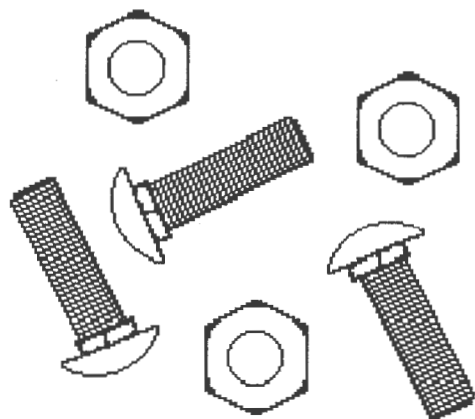
**CITY** \_\_\_\_\_ **STATE** \_\_\_\_\_ **ZIP** \_\_\_\_\_

**PHONE NUMBER** (\_\_\_\_) - \_\_\_\_ - \_\_\_\_\_

## **NUTS & BOLTS**

Wayne Pike, Editor  
Rt. 1, Box 217A  
LeRoy, MN 55951-9801

NON-PROFIT ORG.  
US POSTAGE  
**PAID**  
PERMIT NO.  
LE ROY, MN



### **1993-94 OFFICER DIRECTORY**

#### **Executive Committee:**

Tom Risdal, President  
Northwest TC  
1301 Hwy. 1 East  
Thief River Falls, MN 56701

Alan Graner, Vice President  
1123 South Main St.  
Rugby, ND 58368

Herschel Staats, Secretary  
7321 Vine St.  
Lincoln, NE 68505

Laurie Morris, Treasurer  
14001 Winview Mile Road  
Deer Trail, CO 80105

#### **Membership Secretary:**

Wayne Pike  
Rt. 1, Box 217A  
LeRoy, MN 55951-9801

(EDITOR'S NOTE: The following article, excerpted from Doane's FARMING FOR PROFIT, tells us a lot about the way farmers and ranchers learn and use information.)

**MAINTAINING AND USING GOOD FARM RECORDS is becoming an increasingly critical aspect of managing a profitable farming operation. And many have resorted to computers to maintain accurate, current records.**

In a Nebraska survey of participants in two major recordkeeping programs and users of computerized recordkeeping, 95% indicated that encouragement from other farmers convinced them of the need to keep accurate, current business records. Also, 73% of those who used computer recordkeeping software said they would not have been able to get started without the help of specialists and other farmers. Survey participants expressed a desire for more interaction with other farmers, particularly through small groups, to exchange information and compare operations. They placed a high priority on analyzing their records in order to determine the appropriate course of action.

**Layout & Design:** Deb Pike  
**Printed by:** Evans Printing, LeRoy, MN