

# AGRIBUSINESS MANAGEMENT

**627 M4750**

**SPRING 2009**

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Agricultural Economics Building

Discussion Room

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## **COURSE DESCRIPTION:**

Agribusiness management encompasses many aspects of the economy: agricultural inputs suppliers, agricultural producers, businesses that provide supply and services to the producers (including cooperatives and associations, assembly market, wholesale market, retail market), businesses that add value to the agricultural products and those that facilitate the marketing of agricultural products to an ever-growing marketplace. The developing countries usually lack the strengths of the software systems including the organization, extension and financial system. No sale is no profit. How to increase the farmers' incomes and upgrade their livelihood would probably through the well-functioned agribusiness system. The agricultural and food industries are currently undergoing significant changes and have to work in a more market oriented environment in order to fulfill consumer expectations and increasing environmental concerns.

This course in agribusiness management is for students interested in careers eventually leading to managerial positions in the feed, fertilizer, farm machinery, plant seedling, agricultural products marketing, food processor, food supply chain, food export marketing, agricultural wholesale market operation and management and related industries. The course will focus on the use of financial statements, operating and managerial functions, strategic planning in agribusiness, marketing management in the agribusiness firm, selling in agriculture, controlling production, personnel management, managing human resources in agribusiness, and the tools for management decisions in agribusiness. Presentation is by lecture integrated with experiential learning through the use of a practical agribusiness case study in Taiwan.

## **PREREQUISITE:**

**COURSE OBJECTIVES:**

1. To acquaint the student with the general area of business management with an orientation towards agribusiness.
2. To create and/or stimulate interest in businesses, problems of management, and the basic principles of management.
3. To help the student understand and obtain a degree of competency in using specific tools and techniques of analysis for solving management problems.
4. To help the students understand the practical agribusiness management of the food processors, chain stores management, the agricultural products wholesale markets management, and farmers associations' operations and management in Taiwan.
5. To let the students understand the government's role in building up the good agribusiness management.

**Texts:** There are three required textbooks.

1. Steven P. Erickson, W. David Downey and others, Agribusiness Management, McGraw-Hill, 3<sup>rd</sup> Edition, 2001
2. Liu Fu-Shan, Building an Agricultural Marketing System in a Development Country: The Taiwan Experience, Maw Chang Book Company, 1994
3. Gary Dessler, Management-Principles and Practices for Tomorrow's Leaders, Pearson Prentice Hall, Inc., U.S.A., 2004, 3<sup>rd</sup> Edition.

**GRADING:**

The course grade is based on exams, an oral presentation and a written report. The exams and oral report will be given on the dates on the schedule of class topics. The student is responsible for the material covered in the assigned reading which serves as background for the lectures. In addition, students will write a paper (10-15 pages) on a topic of their choice but relating to this course subject. The composition of the course grade is shown below. The final grade will be a weighted average of four separate components:

<u>ACTIVITY</u>	<u>NUMBER</u>	<u>PERCENT OF GRADE</u>
Mid-Term Exams	1	30%
Oral Presentation	1	10%
Written Report	1	20%
Final Exam	1	40%

Exams will cover material from the videotapes and DVD lectures, course notes, and

assigned readings. Any exam missed without permission for a make-up is scored as a zero.

If you have any questions about your grade during the semester, please feel free to discuss them with me at any time.

### **READING REFERENCE MATERIAL:**

The Readings are taken from a number of different references which are associated with the classroom topics. Students are expected to read the reference material and can make personal copies at their own discretion. The reading reference material will be made reserve at the Agricultural Economics Library. Students are encouraged to access this additional material.

1. Liu Fu-Shan, Building an Agricultural Financial System in a Development Country: The Taiwan Experience, 1994, Maw Chang Book Company
2. Liu Fu-Shan, Building An Agricultural Extension System in a Development Country: The Taiwan Experience, 1995, Maw Chang Book Company
3. Liu Fu-Shan, Building a Farmers' Organization System in a Development Country: The Taiwan Experience, 1995, Maw Chang Book Company
4. Liu Fu-Shan, E-Commerce in ROC's Agricultural Marketing, Council of Agriculture, 2001
5. Taiwan Provincial Fruit Marketing Cooperative, Taiwan Fruit, 2005
6. Council of Agriculture, An Introduction to the Tea Industry in Taiwan, 2006
7. Taipei Fishery Marketing Corporation, A Brief Introduction, 2005
8. Taipei Flowers Auction Co.LTD, An Brief Introduction, 2005
9. Taipei Agricultural Products Marketing Corporation, Fresh. Vigor. Everyday, 2005
10. DaChan Great wall Group, Honesty, Humility and Vision, 2008
11. Uni-President Enterprises Corp., A Kiss To The Spirit of The Future, 2006
12. National Chung Hsing University, Chiang Mai University and others, Agribusiness Management towards Strengthening Agricultural Development and Trade, Thailand, 2004.

### **LECTURE AND READING SCHEDULE**

<u>TOPIC</u>	<u>ERICKSON CHAPTER</u>
<b>1. Role &amp; Organization of Agribusiness</b>	
A. Agribusiness in Perspective	1
B. Managing the Agribusiness	2
C. Organization of an Agribusiness	3
D. Co-ops in Agribusiness	4

## **11. Financial Management & Control of the Agribusiness**

A. Economics for Managers	5	
B. Understanding Financial Statements		6
i. The Balance Sheet		
ii. The Income Statement		
C. Analyzing Financial Statements	7	
D. Financing the Agribusiness	8	
E. Financing the Agribusiness cont....	8	
G. Tools for Management Decisions in Agribusiness		9
H. Strategic Planning in Agribusiness	10	

## **111. Marketing in Agribusiness**

A. The Agricultural Marketing System	11	
B. Marketing Management in the Agribusiness Firm		12
C. Tools for Marketing Decisions	13	
D. Selling in Agriculture	14	
E. The Selling Process	15	

## **1V. Operating the Agribusiness**

A. Production Planning	16	
B. Controlling Production	17	

## **V. Human Resource Management**

A. Personnel Management	18	
B. Personnel Management cont....	18	
C. Managing Human Resources in Agribusiness		19
D. Getting Started in Agribusiness Management		19

Some Videotapes and DVDs are used to supplement the related subjects to illustrate the case study during this semester.

## **Mode of Delivery**

The module is delivered in two phases. The first consists of a series of lectures and discussions. The second phase involves on-site observations at Flowers Auction Market, Fruits and Vegetables Wholesale Market, Fishery Wholesale Market, Food Supply Chain Operation and Management, and Mega Supermarket Management and Operation.