

Syllabus – AGEC 4313/5213 Agribusiness Management

(10:45 to 11:35 am on Monday, Wednesday and Friday in Agri 115)

Instructor Information:

Professor: Dr. Michael Popp
Phone: 575-6838
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Office: 223 Agriculture Building
Office hours: I have an open door policy except before class time. It's a good idea to set up an appointment after class, via phone or e-mail if you want to make sure I am there.

Course Objectives and Philosophy:

This course is designed to primarily familiarize students with concepts required for successful strategic planning, implementation, and control of an agribusiness. Topics will include discussion on different types of organizational forms, business acquisition and valuation, and management tools required for planning, organizing, directing and controlling a business. The class will also offer students the opportunity to compete in an agricultural business simulation against their classmates. Imperative to all of this is a solid understanding of complete financial statements. Graduate students in the class will be expected to gain a higher level of comprehension and hence are graded more stringently and will have extra work to complete.

Interactive learning and participation are strongly encouraged to promote a positive learning environment. Communication among students and the instructor will be required.

Prerequisite:

Senior standing. The class is designed to apply previously learned analytical and communication skills. Students should be very familiar with spreadsheet skills and have taken at least an introductory microeconomics course, an accounting class and an introductory agribusiness course.

AGEC 2142 & 2141L or AGEC 2143 or ACCT 2013 and AGEC 2303 or equivalent.

Optional Textbooks:

Erickson, Steven P., Jay T. Akridge, Freddie L. Barnard and W. David Downey. 2002. *Agribusiness Management*. 3rd Edition. McGraw Hill. Boston, MA. (EABD). There's also a 4th Edition by a similar set of authors. Be aware that I post the relevant chapters on Blackboard via the eLibrary link on Blackboard.

Olson, K.D. 2011. *Economics of Farm Management in a Global Setting*. John Wiley. Hoboken, NJ. (OK). I will also post materials from this book via eLibrary on Blackboard.

Additional References on Reserve using eLibrary:

Beierlein, James G., Kenneth C. Schneeberger and Donald D. Osburn. 2008. *Principles of Agribusiness Management*. 2nd through 4th Edition. Waveland Press. Prospect Heights, IL. (BSO)

Zimmerer, Thomas W. and Norman M. Scarborough. 2002. *Essentials of Entrepreneurship and Small Business Management*. 2nd through 5th Edition. Prentice Hall. Upper Saddle River, NJ. (ZS)

Grading:

Farm Supply Management Game (2 group papers & pro forma Financials)	30%
Assignments	15%
Unannounced quizzes	10%
Mid Term	20%
Final	25%

Exam dates will be set at least one week in advance. Note the date on the final exam below. There will be no make up exams. If you have a legitimate conflict and need to miss an exam, make arrangements in advance. Note that departmental solar powered calculators will be provided for exams and that cell phones will not be allowed during exams. Cell phones will also need to be muted and stored during class. Late written assignments will not be accepted and given a zero. I want to provide timely feedback. Participation in class is encouraged as students and teachers learn from each other. Some assignments are done at a group level. All assignments should be typed and prepared professionally as if the student (student group) were a consultant to an agricultural enterprise unless otherwise stated. All students need to check their uark e-mail account. I use e-mail to share information from time to time.

Peer evaluations on group grades will be performed. Each student rates their own and their group members' productivity. For example group members A, B, and C each get to be incentive pay managers. Assign a 0 for a group member that did no work at all, a 5 for a group member that did an average work load and a 10 for a group member that basically did all the work. With an overall group grade of 85% the group member's grades would be calculated as follows:

Member Name	----- Grades from-----			Avg. Grade For Member	Grade Factor	Member Grade
	<u>A</u>	<u>B</u>	<u>C</u>			
A	8	5	8	7	7/5	119
B	2	5	2	3	3/5	51
C	5	5	5	5	5/5	85
Overall Avg		5				85

Each group member e-mails rankings for him/herself and the rest of the group to me. Therefore, only I and the group member have access to the rankings. If you don't e-mail I assume average performance. Equal rankings by all individuals with equal sharing of the work load will lead to the same grades for every student in the group. I reserve the right to weight grade factors if the grade distribution gets out of hand.

Graduate students will be asked to prepare answers to at least one extra homework.

Grades will be rounded to the nearest percent using conventional methods and will be assigned as:

A:	> 90%	D:	60 - 69 %
B:	80 - 89 %	F:	< 60 %
C:	70 - 79 %		

Dean's Note on Academic Dishonesty Policy:

"As a core part of its mission, the University of Arkansas provides students with the opportunity to further their educational goals through programs of study and research in an environment that promotes freedom of inquiry and academic responsibility. Accomplishing this mission is only possible when intellectual honesty and individual integrity prevail. Each University of Arkansas student is required to be familiar with and abide by the University's 'Academic Integrity Policy' which may be found at <http://provost.uark.edu/>. Students with questions about how these policies apply to a particular course or assignment should immediately contact their instructor."

Do not cheat. If you have to cheat to get an acceptable grade in this class you will be miserable in the profession because that is a clear indication that your talents and motivation are way below the norm. If you are caught cheating, campus procedures will be followed to exact the appropriate punishment.

Disclaimer: The instructor reserves the right to alter the contents, requirements and/or scheduling of this course as he sees fit.

Miscellaneous: *No tobacco products in class. Turn off cell phones prior to class and stow away.* Should you need to leave class early, let me know ahead of time as a professional courtesy. If you want to request reasonable accommodations for this class due to a disability and I have been contacted by the Center for Educational Access (CEA), please set up an appointment with me within the first two weeks of class. Final note. If the random unannounced quiz points are not enough incentive to be on time, coming to class on time is a courtesy not only to the professor but also to your fellow students. **Arrive on time!** Quizzes will be administered at the start of class. If you show up late, you will not get the chance to take the quizz and will receive a zero that day. There will be opportunities on quizzes to earn above 100% so that missing one quizz day will not put you at a disadvantage.

Inclement Weather:

We will follow the University Inclement Weather policy for this class. Since this class meets at 10:45 it is unlikely that there will be any inclement weather problems. I reserve the right to e-mail everyone by 9 am the morning of lectures to cancel lecture if needed.

Purdue Farm Supply Management Game:

This is a feed and fertilizer business simulation game. Students have access to the manual via Blackboard. Students can make individual printouts of the manual but I have found that if you need to refer back to the manual it is easy enough to do without a printout using the internet instead (let's save some trees). One practice and an additional six quarterly decisions will need to be turned in on time. **Do** document why you made the decisions each time so that when it comes time to write reports on why you made decisions the way you did you will have the material at hand. If a decision is not handed in on time, the game schedule for the entire class is held up. Hence, late decisions will cost you 2% off your final overall course grade. The reports are worth 30% of your grade and will ask you to explain how and why you made certain decisions. More instructions will follow. Bonus marks will be available for the highest net worth result at the end of the game and are 5% (1st), 3% (2nd) and 2% (3rd). These bonuses count towards raising your final overall course grade.

Topic Outline

Topics will be pursued in the order presented below but the instructor reserves the right to change topics.

Topic

Introduction

Small Business Management (SBM) – Facts and figures, agribusiness vs. business, E-commerce

Decision Making and Strategic Management

Financial Statements

B/E and Ratio Analysis

Purdue Farm Supply Management Game (PFSMG)

Optimal Capital Structure & Exam Review

Test I (Mid October)

Ownership Options – Sole Proprietorship, Partnerships, Corporations, Cooperatives, Franchising, Joint Ventures, Strategic Alliances etc.

Organization

Business Valuation

Market Research/Marketing Plan

Advertising/Pricing

Cash Flow Management

Capital Budgeting and Risk

Other topic(s) time permitting

Final (Dec. 16: 10:15 am - 12:15 pm)

Students are expected to read material *before* class. Class notes with reading assignments will be distributed via Blackboard prior to class.

Emergency Procedures:

Many types of emergencies can occur on campus; instructions for specific emergencies such as severe weather, active shooter, or fire can be found at emergency.uark.edu.

Severe Weather (Tornado Warning):

- Follow the directions of the instructor or emergency personnel
- Seek shelter in the basement or interior room or hallway on the lowest floor, putting as many walls as possible between you and the outside
- If you are in a multi-story building, and you cannot get to the lowest floor, pick a hallway in the center of the building
- Stay in the center of the room, away from exterior walls, windows, and doors

Violence / Active Shooter (CADD):

- CALL- 9-1-1
- AVOID- If possible, self-evacuate to a safe area outside the building. Follow directions of police officers.
- DENY- Barricade the door with desk, chairs, bookcases or any items. Move to a place inside the room where you are not visible. Turn off the lights and remain quiet. Remain there until told by police it's safe.
- DEFEND- Use chairs, desks, cell phones or whatever is immediately available to distract and/or defend yourself and others from attack.

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STUDENT INFORMATION SHEET

(please circle appropriate choice)

Name: _____

Phone: _____

Major: _____

E-mail: _____

Is this course a requirement or an elective for you? Required Elective

Do you have a farm or business background? Farm Business Other

What type of operation?

What is your math, economics and agriculture background that you received during your schooling prior to this class (indicate credit hours taken)?

Math and Statistics: Statistics _____ credit hours
 Math _____ credit hours

Agriculture: Animal Science _____ credit hours
 Plant Science _____ credit hours
 Entomology _____ credit hours
 Soil Science _____ credit hours

Other _____

Economics & Business: Microeconomics _____ credit hours
 Macroeconomics _____ credit hours
 Finance _____ credit hours
 Accounting _____ credit hours

Other _____

On the back of this sheet, please indicate briefly why you are interested in this class.