THEME:
SOEP: Entrepreneurship
SOEP: Our Uniqueness

Early in the development of humankind, persons joined together into tribes that were bound together by some common element. The common element that bound the tribe might have been kinship, safety, mysticism, or the need to hunt in mass to procure food. People join together because a group can help them and there is commonality in purpose. Dissonance results from the lack of that common purpose.

Vocational agriculture teachers constitute a group. The group has common purposes, and is a subset of the larger community of teachers. What is there that is unique about our curriculum and profession that holds us together as a tribe? How are we unique? How are we different from other teachers?

Surely, there are some unique elements to our rituals, teaching, that sets us apart other than the nature of the subject matter we teach. I would submit that the Supervised Occupational Experience Program (SOEP) concept is one element that sets us apart. The sages of our tribe have passed down from generation to generation of teachers within our tribe of vocational agriculture teachers the philosophy underlying this unique component and the best procedures for executing SOEP programs. Every teacher should have had instruction, both formal and informal, that has made them intimately familiar with both the why and the how of SOEP programs.

Environmental Changes

The tribe has been emigrating through and, the environment and culture has changed during the transmission of this knowledge. Students in our classes today are not necessarily farm reared. Indeed, farm reared students may constitute a small minority in many of our programs. Students need to be changed. Only a very small percentage may aspire to enter production agriculture. This is often wise, as it is congruent with the opportunities present. Our students may aspire to enter one or the other taxonony areas. Or, students may be enrolled in prevocational, career exploration programs.

The advice we teachers received on the how and why of SOEP has not always been a template that can be applied to each student. Teachers have become frustrated and dissonance has occurred. Rupture of some degree from the tribe, some teachers have remained mule on the issues surrounding SOEP. Others have ignored SOEP entirely as a part of the vocational agriculture program.

Some vocational agriculture educators have continued to advocate strong SOEP programs. Such programs, they maintain, is what makes vocational agriculture really vocational. They are not just the production agriculture teachers.

Some tribes and cultures have persisted throughout time in spite of being conquered, of being enslaved, or of numerous other adversities. Their commonality and uniqueness often provided the wherewithal to persist and to continue to exist.

Supervised occupational experience programs are a unique feature of programs of vocational agriculture. It is one of the common elements that holds us together and simultaneously sets us apart from other instructional programs.

Common Purpose

Retributional is essential to our profession. We must see the commonality of our purpose as a tribe. The tribe saying of "one for all and all for one" fittingly describes the best way we can eliminate our dissonance. To achieve once again the tribal status, a thorough understanding of what is and what ought to be regarding SOEP is essential. Therefore, this issue and all themes for 1984 will focus upon SOEP programs.

The diversity of the themes related to SOEP, it is hoped, will help the profession to once again grasp the utility of the concepts related to SOEP. This conceptualization should help place parameters around legitimate SOEP programs and experiences. So all may see that, while some may take a different road, we are all headed to the same place. Hopefully, we can entangle some of the loose ends of our philosophical framework, the commonality of our purpose, realize the need for SOEP, and once again become one of the tribe.

The Cover

The pathway for entrepreneurs is discussed in the Arrington and McChee article in this issue.
Guiding Students Into Entrepreneurship

At one time in the rich history of vocational agriculture, entrepreneurship was the key ingredient in most all SOE programs. But as the nature of agriculture and vocational agriculture changed, SOE programs began to take on a different look. Student preferences for traditional ownership programs diminished, and SOE was no longer synonymous with entrepreneurship.

Placement programs became commonplace, and teachers began to identify many alternative SOE programs that their students could undertake. They began to see that ownership programs were not possible for a great number of their students. A variety of what might be called simulated ownership experiences, such as in school laboratories, appeared in which students pretended to be owners/managers of a particular venture.

Renewed Interest

What seems to be taking place now, not only in vocational agriculture but throughout education and work, is a renewed interest in entrepreneurship. Vocational agriculture teachers are now discovering that entrepreneurship SOE programs can be established for many of their students. Creative SOE ownership programs have rekindled the entrepreneurial flame.

In addition to the traditional ownership programs in livestock and crop production, more and more successful ventures in emerging entrepreneurial areas have surfaced. Teachers have begun to realize that the practice of entrepreneurship involves the same basic principles, regardless of whether the student is producing game birds, operating a machinery repair business, raising livestock, or producing bedding plants. Perhaps this new flavor of SOE entrepreneurship programs is a signal of the improved adaptation and flexibility that teachers have begun to exercise. As student characteristics and interests change, so must our approaches to teaching through SOE programs. Perhaps, too, vocational agriculture teachers are gradually becoming more adept at working with individual students to develop viable SOE programs.

Individualizing

Although a large number of vocational agriculture students have typically been involved in entrepreneurship programs, research has shown that most entrepreneurial ventures of substantial scope are undertaken after age 25. Why, then, are we concerned with preparing entrepreneurs in our secondary and post-secondary programs? The reasons are simple, yet significant. Firstly, students may expand their long-term career alternatives to include entrepreneurship if such instruction is provided. Secondly, by knowing the requirements for successful entrepreneurship, students can plan their education and work so that it best supports the long-term goal of business ownership.

The strength of SOE programs by design is their uniqueness. If every student does not have the same SOE, every student cannot be expected to enjoy the same degree of success in managing an ownership program. Successful entrepreneurs have been found to exercise a strong need for achievement, believe their decisions control their destiny (internal focus of control), have a high-risk-taking propensity, and possess effective leadership skills. Thus, entrepreneurship programs should fit the student, and the student should be suited to becoming an entrepreneur.

Theme Articles

The articles in this special theme issue deal with some of the critical aspects of developing entrepreneurial skills, such as long-term planning, risk-taking, keeping records, and making business decisions. Several articles also include examples of successful SOE entrepreneurship programs currently underway. These readings should cause agricultural educators to examine the value, feasibility, and nature of SOE entrepreneurship programs in vocational agriculture today. They may also prompt us to display some traits of entrepreneurs: optimism, initiative, innovation, resourcefulness, foresight, and versatility, as we guide students into entrepreneurial ventures through SOE programs.

Preparation

Preparation is an integral part of any SOE program. SOE programs need to be well-planned and structured to meet the needs of the students involved. A well-designed program will help students develop the skills and knowledge necessary to become successful entrepreneurs.

References


Preparing Students To Be Entrepreneurs

Webster defines an entrepreneur as a "person who organizes and manages a business or industrial enterprise, taking the risk of not making a profit and getting the profit when there is one." If vocational agriculture is to be a truly vocational program, then entrepreneurship certainly has a place in our program planning.

When entrepreneurship and supervised occupational experience programs mesh together, we feel that it represents a top notch SOE program. Ideally, it would be great if every student could eventually become an entrepreneur in some business venture. Realistically though, we must recognize that entrepreneurship will be the end goal of some, but not all students.

This should not bother us as educators, however, SOE programs are exploratory and experimental by design, so if a SOE program is not economically successful or self-sustaining for the student, it cannot be termed a failure. Entrepreneurship is a means of investigating a possible occupational choice.

Understanding Business

Entrepreneurial SOE programs not only involves ownership of production enterprises, but also ownership in agribusiness. Some entrepreneurship programs in agribusiness include a small engine repair business, a lawn mowing service, or ornamental plant production.

For students with these kinds of SOE programs, entrepreneurship yields very positive effects. Students have more pride in and interest in SOE programs in which they own and manage. These programs also develop responsibility and decision making skills.

Students learn to plan for an enterprise, to prepare budgets, and to analyze enterprise outcomes. With successful SOE programs which involve ownership, students learn that they can become economically successful on their own. Achieving success is an important factor in student motivation.

Understanding the elements of entrepreneurship is also important to those students who do not have ownership-related programs. All students will benefit from instruction that deals with being an entrepreneur. Granted those students with SOE programs which involve ownership will probably be helped the most by such instruction. However, students with placement or other types of programs also need this instruction. Young people are commonly criticized for not understanding the business world. If nothing else, positive attitudes toward entrepreneurship and respect for those who are successful entrepreneurs can be developed. Students who eventually become employees in an agribusiness may then be able to better understand entrepreneurship and how management decisions made by the business owner affect them.

Teaching Entrepreneurship

The next logical question is how to teach students to become successful entrepreneurs. All three areas of vocational agriculture (classroom instruction, FFA, and supervised occupational experience programs) need to be involved in teaching entrepreneurship. Each area should complement the others.

To set the stage for developing the skills involved with student entrepreneurship, students need to have classroom instruction that pertains to the basics. Units on starting a (Continued on Page 6)
Preparing Students To Be Entrepreneurs

(Continued from Page 3)

business, managing a business, and evaluating business adventures will be needed.

For many vocational agriculture programs this also means that more instruction will be provided on agribusiness topics. Certainly, special emphasis needs to be placed on the art of selling, advertising, merchandising and marketing, business procedures and records, and business management.

Some teachers may claim that this represents a complete divorce from the production focus of the curriculum, but production topics still need to be taught. We must realize that a farm is a business and that we need to provide more instruction to address the business component of the farm.

Progressive farmers are directing more attention to product promotion and marketing. Modern farm record keeping systems rival those kept by agribusinesses in many ways.

Viewed in this fashion, it becomes fairly easy to justify agribusiness units to production-oriented students. Many of these agribusiness units are just as relevant to a farm business as they are to an agribusiness.

In order for classroom instruction on entrepreneurship to be relevant, it must be tied to the occupational experience programs of the students. If this connection is made, entrepreneurship programs can include two basic designs.

As mentioned earlier, SOE ownership may involve ownership in production enterprises or ownership in an agricultural business. Basically, the same concepts of entrepreneurship apply to both areas. How we approach teaching SOE and entrepreneurship may vary, but the objectives are the same; we are still attempting to teach the same key points.

For example, when students first select SOE programs, they consider many of the same factors in either agribusiness or production entrepreneurship ventures. They may consider their personal interests, skills, and abilities; the resources that are needed, and local market conditions. These factors apply to both production enterprises and agribusiness enterprises.

Likewise, budgets need to be prepared, goals need to be set, and plans need to be made to reach these goals. Again, these activities apply to both entrepreneurship and agribusiness program designs. Even the final analysis of the two different entrepreneurship programs has similarities.

THEME

Developing Entrepreneurship

Although the steps to success are described differently by many groups and individuals, most would agree that setting goals is important. As vocational agriculture teachers, one of our goals is to develop entrepreneurial skills.

An entrepreneur is a person who undertakes a business venture for making profit on an investment. Such a person manages and assumes the risk of business.

How do vocational agriculture departments develop these skills? I find SOE's to be the ideal tool. Young people, prior to adult responsibilities, are in a perfect position to develop entrepreneurial skills which will be used their entire life.

The essential qualities of successful entrepreneurs can be divided into six major categories with each consisting of several subcomponent skills:

I. Self-Confidence
   A. Confidence in ability to make good decisions
   B. Independence, individuality
   C. Optimism
   D. Leadership, dynamism

II. Originality
   A. Innovation, creativity
   B. Resourcefulness
   C. Initiative
   D. Versatility, knowledge

III. People Orientation
   A. Ability to get along well with others
   B. Flexibility
   C. Ability to accept suggestions/criticisms

IV. Task-Result Orientation
   A. Need for achievement
   B. Recognition of profit motives
   C. Persistence, perseverance, determination
   D. Drive, energy

By Dave Wilson
(Editors' Note: Mr. Wilson is a Vocational Agriculture Instructor at St. Joseph-Ogden High School, St. Joseph, Illinois 61873)

V. Futureism
   A. Foresight
   B. Perceptiveness

VI. Decision Making Ability
   A. Risk taking ability
   B. Ability to face challenges successfully

Goals set by students should be intelligent, realistic, and long-term. When SOE programs are established, the groundwork is laid for developing entrepreneurship. SOE programs, when established in realistic settings, are usually dependent upon the ability of the student to utilize their capital resources and apply their skills. These programs require students to make business decisions and reinforce the reality of the entrepreneurial effort. An end result is that students learn and practice the risk taking.

In order to establish entrepreneurship, we need to start in the vocational agriculture classroom. Many students are attracted to vocational agriculture because of the importance placed upon entrepreneurial skills. These skills are used by many people to some degree and in various combinations. People who learn to manage these skills early often become self-employed entrepreneurs while those learning to control entrepreneurial characteristics at an older age often rise to fill positions in management.

Share Your Ideas By Writing About These Remaining 1984 Themes

SOEP. Placement Programs ............... February
SOEP. Cooperative Experience Programs .... March
SOEP. Laboratories ................. April
SOEP. Urban Programs .......... May
SOEP. Recordkeeping .......... June
SOEP. Sales and Service ......... July
SOEP. Horticulture .......... August
SOEP. Mechanics .......... September
SOEP. Forestry, Conservation and Recreation .... October
SOEP. Adults ................. November
SOEP. Post Secondary .......... December

Pleasant production is just one of many business ventures in which students can engage.
Developing Entrepreneurship

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Planning

Starting SOE programs means making decisions. Many entrepreneurship programs are started as a result of the vocational agriculture class. Cooperative efforts from students, parents, and instructors can lead to SOE's that develop career opportunities, agricultural competencies, and the human relations and leadership skills needed to fulfill occupational and social responsibilities and make good business decisions.

SOE programs allow students to explore and experience entrepreneurship in a gradual and purposeful way. As a result, students are better prepared to take advantage of ownership opportunities when they arise.

Unlike short term projects, the SOE should be planned as a continuous, on-going program. These on-going programs require students to evaluate their efforts and make the needed changes over a period of time. The analysis and record keeping phases of the SOE provide students with the opportunity to develop business management skills and implement technical innovations. Updating allows students to exercise resourcefulness, initiative and flexibility in their programs.

Case Studies

The SOE program with student, Elyn Paul, a recent graduate of St. Joseph-Ogden High School, illustrates how important resourcefulness is in entrepreneurship programs. Elyn has increased her existing program from 200 birds to over 800 birds. This increase produced a marketing dilemma. What should she do with 800 processed birds per week? Elyn hired a sales person and created an advertising program. Prospective customers were identified and flyers were put into the mail. She was able to sell all the birds and she proceeded to set new goals for her business.

Elyn started her SOE as a result of her vocational agriculture class and the influence of her father and brother. She started with seven birds and presently has over 800. She resides in a rural area on a one and one-half acre lot. To supplement her pheasant enterprise, Elyn has a one-half acre horse sale lot, which is operated on a 50/50 rental agreement. The horse sale is advertised, processed, and marketed on a wholesale level to local business organizations.

Scott Anderson, enrolled in vocational agriculture because he planned to return home to farm. Scott started his SOE by obtaining a loan to finance the purchase of five pigs at a purchased sale. As the pigs grew, Scott used his technical skills to improve efficiency and profitability. Housing facilities and equipment were purchased with money remaining after expenses were met. Within two years, Scott had sold hogs twice per year and enough income to start farming in partnership on the family farm.

I find that some tend not to include farmers as entrepreneurs, but farmers are perfect examples of people using entrepreneurial skills. The skills of managing, working with others, using initiative, planning for the future, assuming intelligent risks, and working toward a profit are all elements of instruction in vocational agriculture. Vocational agriculture programs are graduating students who are better prepared to overcome the obstacles on the road to success in entrepreneurship. Many students in vocational agriculture programs today are involved in ventures that allow them to apply entrepreneurial skills. If we teachers can provide an environment that encourages students to develop entrepreneurial abilities, then individual entrepreneurship can become a reality through supervised occupational experience programs.

Corning Introduces Five pH Meters In New Product Line

Corning Science Products has introduced a new line of five easy-to-operate pH meters with a unique "delta" shape and unified display which allow easy use and quick readings on the laboratory bench or in the field.

Beginning with the Model 120, a lightweight, battery-powered meter for use in the lab or in the field, the new line ranges upward to the Model 155, a pH/ION meter for all research applications which feature known and sample addition/subtraction modes, step-by-step alphanumeric prompting in five languages, automatic buffer recognition, three-decimal accuracy, a digital clock and timer, and activity and memory functions capable of accommodating a five-electrode testing system. Models 140, 145 and 150 provide additional features.

Simply labeled for quick calibration, the new Corning pH meters are designed for rugged durability in a laboratory or field setting. Cases are made of molded structural foam with a protective polyvinyl chloride coating to withstand chemical spills. All new Corning meters are supplied with a plastic barrier combination electrode, the new Corning replaceable function feature. In addition, complete lines of accessories and test electrodes are offered by Corning.

All new Corning pH meters are fully warranted for two years of operation. For further information on Corning's new pH meter line, contact Corning Science Products, Dept. PR-NM, P.O. Box 1130, Elmira, NY 14840.

THEME

Entrepreneurship: A Pathway

Have you ever heard that "to fail to plan is to plan to fail?" This statement probably applies to no other component of vocational agriculture as much as it does to the development of entrepreneurship (ownership) supervised occupational experience programs. The objective of ownership programs is to assist students in developing the competencies needed to own and manage production agriculture or agribusiness enterprises. To accomplish this objective, a long-range plan developed by the student in conjunction with the teacher, and others involved in the enterprise program is necessary. Without it, the objective of efficiently and effectively organizing, managing and assuming the risks of an agricultural endeavor will not be realized.

Prerequisites

Before students can begin to develop long-range plans for entrepreneurship programs, two prerequisites are essential. First, the students, as well as the parents and others involved in the agreement, must understand the fundamental principles regarding supervised occupational experience programs. It is imperative that students understand the importance of the different activities and how the SOE program fits into the total vocational agriculture program. Students cannot be expected to make long-range plans about a program they do not understand.

The second important prerequisite to long-range planning is to provide instruction in writing plans. More than likely, planning for ownership will be the student's first exposure to identifying specific strategies to reach a long-range goal. Therefore, as with any new experience, the students must be given direction and supervision for effective learning to occur.

Suggested questions that need to be answered in this teaching process include:

- Why write plans?
- How will a plan help avoid mistakes?
- What are the components of a good plan?
- Who should be involved in planning?

Showing students examples of individual student program plans that have been developed in previous years is necessary for students to realize that long-range planning is possible. Viewing other plans will also stimulate students to think about opportunities they might have to become entrepreneurs.

A Model

A long-range plan helps to examine or identify where students are today, where they want to be when they leave the program, and how they are going to get there. A simple strategy for long-range planning is illustrated in Figure 1, which shows a pathway that leads to agricultural enterprise ownership. This pathway has six gates which must be opened in order for students to reach their destination.

The first gate to be opened in the long-range planning process is for students to specifically identify their occupa-
Entrepreneurship: A Pathway

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Small is not synonymous with insignificant. The small businesses in this country employ over half of the workforce, provide slightly less than half of the GNP, create the majority of new jobs, and invent or create the majority of the new technology which we employ in business and industry and on farms.

Vocational agriculture needs to participate in a more significant piece of the action. We need to turn some of our attention to training future employers as well as employees for non-farm businesses, just as we have successfully prepared students to be farmers. We have the tools. They only need to be uncorked, polished up, sometimes modified, and put to work. The parallels between education for successful farm management, a time-honored goal of vocational agriculture, and non-farming business management are real, not imagined.

Guiding Principles

The key connector between farm and non-farm business management is the entrepreneurial goal: profit. Both farm and non-farm businesses operate under the premise that management of the firm and farm is successful when the resources of land, labor, capital and management have been utilized in such a way that they will produce the maximum continuous profit consistent with the other family goals.

Furthermore, both the farm and firm ascribe to the concept that to be most successful, they must maximize the return to their scarce resources. These two principles, combining the resources and maximizing returns to scarcity, are the essence of the entrepreneurial role. Add to these principles the concept of control and the concept of risk-bearing and you have the basic elements of entrepreneurship. Season with a liberal amount of informed, orderly decision making and the result is a successful entrepreneur!

Operating Principles

Perhaps it is ironic that we so readily ascribed to the idea that farming is a business and failed to connect with the idea that non-farm businesses is also a business. There must be similarities, and the similarities lie in the economic principles that make business tick.

Most vocational agriculture instructors have more than a nodding acquaintance with economic principles. We recognize the laws of diminishing marginal return, opportunity costs, supply and demand, fixed-variable costs, resource and product substitution as examples of the common everyday rules that apply to agriculture.

We fail to recognize that these same principles are the laws of all business operation. If that is the case, and it truly is, then instructors can at least start in building some competence in non-farm business management among students by demonstrating the universality of the economic principles.

Take, for example, the law of diminishing marginal return. The most common example used in an agricultural context is to determine the point at which the cost of the added (or marginal) input of fertilizer will be paid for by the added (or marginal) output of a crop such as corn or wheat. It is an easy example to use in agricultural instruction. It is a principle applied frequently in decision making by farmers and is generally readily understood by students.

However, it is less common to see the same principle applied to businesses, even though it is equally applicable. To test your own understanding of that principle, simply substitute "advertising budget" for "fertilizer" (the variable resource) and "dollars of sales" for "corn," it is the same principle. It has the same application. Understanding and applying it has the same effect on profit in both the farm and the firm.

You can draw the same parallels between the farm and business firm with each of the economic principles. They are the common denominators of doing business. They are the economic laws we can use in agriculture to concentrate more attention on basic elements of entrepreneurship.

Decision and Risk

While decision-making and risk-taking appear to be unrelated activities, they occur together. They are the elements that combine to define an essential characteristic of entrepreneurs.

While employees may be assigned tasks that include decision-making, the decisions are made with only limited risk to the employee. Decisions by an employee may not even be known to the employer who may not know about decisions made by his or her job. On the other hand, the decisions made by, or on behalf of the entrepreneur can.

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Farms and Firms: The Profit Connection

Entrepreneur: (an/-trep-nur/'n.) One who undertakes to start and conduct an enterprise or business, usually assuming full control and risk.

When vocational agriculture became more than education for present and future farmers, agriculture's profession coined new phrases to describe the emphasis: agriculture is more than farming; "agribusiness"; "non-farm agriculture occupations"—to name but a few. The emphasis in non-farming agriculture was, and still is, to a large extent, on the development of skills, knowledge and attitudes that prepare students to become good employees in the broad field of agriculture.

For every employee, however, there must be an employer. In agriculture, that employer is the farmer. Are they true entrepreneurs that start and conduct a business, assume both control and risk, and employ both themselves and others? To gain a better perspective of the magnitude of business ownership in almost any community, one needs only to visually canvas the businesses up and down the main street, the number of non-agricultural businesses that are small. It would be an unusual town or city where the canvas showed less than 80 percent of the businesses to be small.

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Learning the principles of operation of a business are essential to the success of the entrepreneur. (Photographs courtesy of Jerry People, Agricultural Education Division, University of Illinois, Champaign, Illinois 61820.)

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Farms and Firms: The Profit Connection

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have far-reaching effects, including loss of both the entreprenuer's and creditor's capital investment.

One of the tasks of the vocational agriculture instructors is to teach students how to make orderly decisions. By practic-
ing the decision-making process in the context of non-
farm businesses as well as farms, students should soon recognize the importance of sound decision-making to business success. Many examples of good decision-making can be drawn from mainstreet businesses with which the instructor is familiar.

Coupled with practice in decision-making is the need to understand risk. How do people's attitudes toward risk vary? How can risks be controlled? How do the risks in-
olved and the attitudes toward risk affect decision-
making behavior? Once students have at least a basic understanding of these questions, they will be more able to play the entrepreneurial role as employers and will understand better, if employees, why employers behave the way they do.

Functions of Management

Whether the manager manages a farm or nonfarm business, there are certain functions of management that must be performed if the business is to succeed. Students must be reminded, however, that even superior perfor-
ance in each function does not guarantee success; it only increases the probability of success.

Students in vocational agriculture will be quick to see the parallel functions between farms and business firms, and should see the relative importance of these functions in different settings.

Functions of Management

Planning

Much of what is taught in vocational agriculture con-
tributes to understanding the planning function. The stu-
dent who sets his or her sights on attaining the American Farmer Degree has grasped one of the key concepts in plan-
ing: goal setting. There should be recognition that the plan is a series of constantly modifying short, intermediate and long term goals or objectives. However, goals without plans of action do not accomplish much.

For the potential business operator as well as the farmer, there must be a good understanding of financial planning as well as the operational planning of the business. Students who develop a good knowledge of planning tools, like cash flow projections, enterprise budgeting, capital in-
vestment planning, credit acquisition and payback, and profit/loss projections will be well-equipped to perform the planning function.

Organizing

Many businesses, both farm and non-farm, falter when it comes to the organizing function. Organizing requires a lot of thought. It is not easily taught or simulated in the classroom, since the appropriate way to organize may vary with each business.

It is possible to teach about organizing if you think about the things that must be organized. General-

trate on the physical resources. In either case, it is a check to be made against policies, procedures, resource use and costs.

These five functions of management can serve the organ-
izer for a core of study about and for business opera-
tion and ownership that is applicable to both farms and
firms. Students who may some day own and operate a business will find them invaluable. Students determined to be employees will find that a good understanding of what makes business tick will contribute to their own produc-
tivity and level of satisfaction; both of which should be rewarded by the business entrepreneur.

The Importance of Management

In all of the studies of why businesses fail, the primary cause is laid at the doorstep of poor management. Since management is so many things, it is easy to see how the gaps can be filled. As the functions of management, understand the principles or make good decisions can be the leading cause of failure.

Vocational agriculture teachers have always been noted for their optimism and positive attitude. The task has always been to foster success, not to prevent failure. In business management/entrepreneurship, we can do both. We can build into the curriculum those ideas, concepts and principles that are known to contribute to success, and by doing so we can alleviate the chance that lack of manage-
ment knowledge and skills will cause a business to fail.

Entrepreneurship in FFA Awards Programs

Of all the teachers employed at the local high school, vocational agriculture instructors hold a unique position. They have the opportunity, through supervised occupation-
al experiences, to provide instruction and practical hands-on training needed by students to become entrepreneurs, the owners of agriculture/agribusiness.

The vocational agriculture program also serves as an essential teaching tool for the practical application of technical skills and leadership, cooperation and citizenship. All of these elements are vital to being a suc-

successful entrepreneur in modern agriculture/agribusiness.

Success is a measurement of how people are in getting from where they presently are to where they want to be sometime in the future. To be a successful farmer or agri-

businessperson requires years of preparation and practical experience. If the process is involved, the farmer or businessperson who begins setting goals and developing plans while still in high school will have a jump on the rest of the pack.

FFA Programs

The FFA has two programs through which students can earn recognition for excellence in establishing entrepreneur-
type supervised occupational experience programs. The 

Agricultural Proficiency Award Program is designed to stimulate interest in the vocational agriculture instruc-
tional program and recognize individual FFA members for their exceptional accomplishments in progressing toward specific occupational objectives in agriculture. The American Farmer Degree, the top of the degree ladder, recognizes FFA members whose supervised occupational experience programs show continued growth, expansion and improvement in either production enterprises and/or skills that relate to the establishment in a chosen agricultural occupation.

In recent years an increasing number of errors, omis-
sions and other misreported information has been noted on

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Entrepreneurship in FFA Award Programs

(Continued from Page 13)

Figure 2

Other Earned Income

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Amount</th>
</tr>
</thead>
</table>
| Farm | 20%
| Non-Farm | 80%

both the Agricultural Proficiency Award and American Farmer Degree applications. These problems increased to the point that the National FFA Board of Directors worried whether the overall SOE program quality had dropped, or whether, because of the nature of the application forms, many good SOE programs were not being entered into the competition.

To address these concerns, a national committee made up of state supervisors, FFA executive secretaries, teacher educators, and vocational agriculture teachers was appointed. Through the efforts of this committee, the Agricultural Proficiency Award program was expanded from 22 to 29 specific award areas. New and more specific application forms were also designed for use beginning in 1985 for both the Agricultural Proficiency Awards and the American Farmer Degree programs.

The new proficiency award areas include: Cereal Grain Production (wheat, rice and rye), Diversified Crop Production (a combination of two or more crop enterprises, such as Cereal Grain Production, Feed Grain Production, Fodder Crop Production, Forage Production and Oil Crop Production), Feed Crop Production (barley, millet, buckwheat, oats, corn and grain sorghum), Fodder Crop Production (cotton, linen and hemp), Forage Production (sorghum other than grain, alfalfa, clover, bromegrass and all pastures), Oil Crop Production (flax, mustard, rape, castor beans, sunflowers, peanuts, sunflower and soy beans) and Specialty Crop Production (sugar beets, tobacco, corn, popcorn, all grass seed production, spearmint oil and hops).

Changes

To assist the students and teachers in using the new application forms, both the Agricultural Proficiency Awards and American Farmer Degree handbooks have been revised. With the changes that were made, these new handbooks should make excellent teaching resources.

Figure 4

Inventory

<table>
<thead>
<tr>
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<th>Quantity</th>
<th>Value</th>
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</thead>
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<td>$100</td>
</tr>
<tr>
<td>Item 2</td>
<td>50</td>
<td>$50</td>
</tr>
<tr>
<td>Item 3</td>
<td>200</td>
<td>$200</td>
</tr>
</tbody>
</table>

1. Return to capital, labor and management from the enterprises being used to seek recognition.
2. Returns to capital, labor and management from all other enterprises owned by the student.
3. Value of all non-cash items such as supplies and buildings on hand and equipment used earned through barter or exchange for labor which added to the productivity of the enterprises owned by the student.
4. Interest income earned from working for others, and earnings from custom work.
5. All gifts, inheritances and awards (cash and property) received.

In recent years, with the present application forms, students would often indicate a greater change in their net worth statement than could be accounted for when all sources of their available income were totaled. This major discrepancy usually occurred as a result of not including the value of "non-cash expenses" as an income, and by assigning unrealistic inventory values to items owned by the student.

On the revised applications, all "non-cash expenses" incurred with the supervised occupational experience program in which recognition is being sought must be included as an expense in the "Income and Expenses" section of the application. Since in reality this "non-cash expense" is actually a type of income and will have an impact on the net worth statement, it will also have to be recorded in either the "Other Earned Income" or "Income Other Than Earnings" sections of the application. By following this procedure, the "other earned income" and the values to be assigned to each of the same sources of income, the items in the net worth should be no greater than the total of all sources of income, Figure 2, Other Earned Income, Figure 3, Income Other Than Earnings.

Change 2

Like any business, a Proficiency Award applicant or American Farmer Degree candidate cannot have a larger increase in their net worth statement than the sum total of:

Figure 5

Practice Approved Practice Results

<table>
<thead>
<tr>
<th>Practice</th>
<th>Approved Practice</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>Item 1</td>
<td></td>
</tr>
<tr>
<td>Item 2</td>
<td>Item 2</td>
<td></td>
</tr>
<tr>
<td>Item 3</td>
<td>Item 3</td>
<td></td>
</tr>
</tbody>
</table>

Inventories (see Figure 4) are another area that all success stories are not to be included. In the past, students have had a difficult time understanding that the inventory value at the end of the year is exactly the same as the beginning inventory for the following year. After the same closing inventory values used in determining the income for the last year covered by the application must be the same as the current value assigned for the items in inventory on the inventory page for the last year covered by the application.

Another problem area involving inventory is the over realistic care for a student to understand land values. To have a meaningful and realistic net worth statement, land values must be maintained at their acquisition costs. Specific guidelines are offered in the new handbooks on how to put practical and realistic values on all inventoried items.

Change 3

Another area that has been improved is the section requiring the student to indicate the approved practices, skills and/or competencies that were learned. In addition to identifying these practices, skills and/or competencies, the new applications request information on the results received (see Figure 5).

With the addition of this new column, the student will no longer be able to simply list a number of skills and/or competencies learned, but will have to show how they were used, or how results were obtained in their experience program. A profitable business has no room for implementation of skills and/or competencies that do not enhance the business.

Change 4

Efficiency of production is something that all entrepreneurs must be concerned with if they are to maintain a viable, competitive business. Evaluating the efficiency attained, as reported on the current application forms, has been a nightmare.

Each year applications are received at the regional level stating that more eggs were produced per hen housed per year than the total number of days in a year, or that more pounds of dairy went were achieved than the pounds of feed consumed to produce the gain. To help solve this problem, the new Agricultural Proficiency Award Handbook has a section designed specifically to assist students in more accurately determine the efficiencies attained with each specific production enterprise. Tips are also provided suggesting the time frame that should be used in determining each efficiency factor.

Effects of Changes

Some anticipated effects of the changes are:

1. Applications should be more accurate.
2. Applications will more accurately reflect the program of study.
3. Completed applications will be more helpful in showing students what they have accomplished as a result of their efforts.
4. All financial information pertaining to the American Farmer Degree should be consolidated, allowing students to easily determine whether they have met the $5,000 minimum for productive investments. (See Figure 6).

Computerized Applications

To stay competitive, entrepreneurs must learn to effect changes in all aspects of their business. The latest available tool is the personal microcomputer. To assist students in utilizing the computer, both the Agricultural

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Entrepreneurship in FFA
Award Programs
(Continued from Page 15)
Proficiency Award and American Farmer Degree applications have been programmed for use on the Apple II and Radio Shack TRS-80 Micro-computers. These programs will be offered for sale through the National FFA Supply Service.

THEME
Using Records in Decision Making

Developing a sense of entrepreneurship in a high school vocational agriculture student in today's competitive agriculture is not as simple as it may have been in the past. If conducted and developed through a thoughtful plan, supervised occupational experience programs can be useful tools in entrepreneurship development.

First, the teacher must be sold on the SOEP idea and require students to conduct a well planned program. The SOEP plans should include goals for expansion and involvement, so the student is not just conducting a project, but rather establishing an entrepreneurship business.

Revising Record Books

One of the goals of the Nebraska Vocational Agriculture Association this past year has been to develop and strengthen SOEP's across the state. As a part of this goal, the committee on SOEP and Record Books conducted a three day workshop for district representatives and selected members to review and revise the Nebraska Vocational Agriculture Record Book. The committee's work was coordinated by the University of Nebraska Agricultural Education staff. Agricultural education students at the University of Nebraska will be working to develop a sample problem and a record keeping handbook to accompany the newly revised record book.

Included in the changes made in the Nebraska Record Book are an income-tax-format oriented cash expenditures general ledger, a monthly livestock, inventory, crops and livestock efficiency factors pages, crop field history pages, a loan transactions record, and an accounts payable and receivable page.

Records have many uses; but, as teachers of vocational agriculture, we must not lose sight of the real purpose of record keeping. Records are not kept solely to meet requirements for State Farmer or American Farmer degrees. The real purpose of records should be for decision making purposes.

If you want to know the kinds of records needed in farming today, ask some struggling, beginning young farmers. They will probably tell you their records are primarily used for presentation to investors rather than for tax purposes. The farm creditor will ask for past production records, projected cash flows, a statement of financial position or net worth statement, and a profit and loss statement. All of these records can help show the ability to repay, a major consideration in making a farm loan.

Teaching Record Keeping

Before fourteen year old students can use records to make business decisions, they must learn basic record keeping and use this knowledge to keep accounts on their first SOEP. Some basic parts of their record book need to be an agreement, a budget, goals and production efficiency factors, enterprise plans, income and expense records, an inventory, net worth statement, and the enterprise financial summary or profit and loss statement.

The student has those records in hand and they are accurate to an acceptable degree, then records can be used for their real purpose. One of these purposes may be to satisfy tax laws or other legal requirements. To benefit the student, however, record use should not stop here. If records are not used for decision making, then students cannot benefit from the management principles that you have taught them.

As students get more involved and start to expand their SOEP's, more extensive records may be needed. These may include loan, transaction record, or accounts payable record, and possibly an accounts receivable record. In addition to an inventory record, they may need a depreciation schedule. Other examples may be a breeding record, weight record and yield record.

An Example

Let me cite an example of how records can help student's entrepreneurship endeavor. Vanessa enrolled in vocational agriculture as a ninth grader, and her SOEP was two dairy cows. Her parents had helped her acquire the cows for a 4-H program, and in vocational agriculture she started expanding by buying and raising additional heifers.

After her first year of keeping records, she and her parents determined they would like additional information on the production of their sixty cow dairy herd. They started keeping DHIA records. The herd was a combination of grade Holsteins and purebred Holsteins. From the records, Vanessa discovered that her registered cows were producing above the herd average, so this encouraged her to develop partial budgets to compare expected returns from registered versus grade dairy cows for the herd.

Her goals for the following year were based on the production averages of the registered cows.

This is a section of her dairy page in her record book the next year:

Jan. 4 The DHIA tests showed:

| Beauty | 40.5 lbs. milk | 3.5% fat |
| Cupid | 32.5 lbs. milk | 3.9% fat |
| Mary | 28.5 lbs. milk | 4.3% fat |
| Nola | 21.0 lbs. milk | 4.4% fat |
| Sherbert | 36.0 lbs. milk | 4.4% fat |
| Tanara | 61.0 lbs. milk | 3.7% fat |
| T.J. | 45.0 lbs. milk | 3.4% fat |

Jan. 19 Vet came to pregnancy test: Cupid pregnant and Tanara open.

Jan. 24 Bred Sherbert to bull #1254

Slatfish-Prime-Coom-Et

Jan. 30 Bred E.J. to bull #1568 Leprechaun Victorian

Feb. 3 The DHIA tests showed:

| Beauty | 45.0 lbs. milk | 3.5% fat |
| Cupid | 27.5 lbs. milk | 3.8% fat |
| Mary | 30.5 lbs. milk | 4.0% fat |
| Sherbert | 36.6 lbs. milk | 4.3% fat |
| Tanara | 50.0 lbs. milk | 3.9% fat |
| T.J. | 44.0 lbs. milk | 4.6% fat |
| Nola | 40.0 lbs. milk |

Nola was born on Omaha market because of low production, 21.0 lbs. milk. Registered herd was 37.8 lbs. milk.

By her senior year, Vanessa had raised her registered herd average to 43.61 pounds by further culling, although she had not yet reached her goal of 45 pounds of milk. She has been using her records to feed more efficiently by utilizing cheaper feeds and altering rations. Her feed cost per pound of milk produced was $0.44.

In January of her senior year, her net worth statement showed an inventory value of $4,000, and a net

(Continued on Page 18)

THE AGRICULTURAL EDUCATION MAGAZINE
Student Dissatisfaction with SOE Programs

Behavioral psychologists suggest that satisfaction with an experience has a direct influence upon the enthusiasm and frequency with which that experience will be repeated. Taking in students with an educational program it is often desirable that the student experience some degree of satisfaction, particularly if the behavior is expected to be repeated. It is generally agreed that students can learn from negative or unsatisfying experiences, the problem is to get them to repeat such behavior. Thus, if a vocational agriculture student is dissatisfied with membership in the local FFA chapter, it is much more difficult to convince that student to continue as a member in subsequent years. The same thing is true with their SOE program or their total vocational agriculture experience.

Recent studies on SOE programs conducted in Colorado, Nevada and Arizona all found large percentages of students who would prefer a different type of supervised experience program to the one in which they were involved. While this indication of dissatisfaction does not necessarily mean they were unhappy with their existing SOE programs, it did indicate a desire to do something more or different from current practice.

Attempts to increase student participation in and quality of SOE programs might be well served by determining why a majority of students constraining SOE programs in Arizona (55%) and Colorado (61%) desire a different SOE program. These findings raise questions such as: 1) Are younger students more satisfied than older students? 2) Are students with traditional types of SOE programs less dissatisfied than those with non-traditional types? 3) What is the relationship between scope of SOE programs and student satisfaction? 4) How do the expectations held by students of SOE programs influence their satisfaction? 5) How does FFA membership and/or a desire for an agricultural career affect student satisfaction? 6) How does teacher supervision influence student satisfaction? Answers to these questions will help identify and reduce the seeming dissatisfaction students have for SOE programs. This in turn might help teachers significantly increase student participation in SOE programs.

The Problem

In 1979, a group of agricultural educators in the western region became concerned with the perceived utilization of supervised educational experience in vocational agriculture. A small planning committee working under the leadership of Dr. Orrville Thompson and with a small grant from the Farm Foundation met at the University of California at Davis and outlined a multiphase research study. The original plan was for this to become a regionally-funded project through the agricultural experiment station designed to access the status of SOE programs and study student satisfaction. The results revealed that in Arizona the percentage of students desiring a different type of SOE program did not vary with years in vocational agriculture. The percentage of students desiring a change were 54.4 percent for those who had completed one year followed by 58.9 percent and 52 percent for those who had completed two and three years of vocational agriculture.

When FFA membership was compared to the percentage of students dissatisfied with their membership it was found that 56 percent of the FFA members desired a different SOE program. Among non-FFA members, which was a very small group (2.5 percent), 45.5 percent indicated a desire for a different SOE program.

Somewhat similar results were found when the percentages were broken down based upon an expressed desire for an agricultural career. A total of 57.3 percent of those students desiring an agricultural career answered affirmative while 50 percent of the students not planning an agricultural career would like a different type of SOE program. These two results suggest that an affirmative response might not be an expression of unhappiness, but rather a desire to have a larger, more challenging type of SOE program. Analysis of the responses broken down by SOE program indexes provides additional evidence that this might be an accurate hypothesis.

Findings

Attempting to explain this seeming dissatisfaction with SOE programs in Arizona, the author spent considerable time analyzing existing data provided by vocational agriculture students in the Fall of 1982. The results revealed that in Arizona the percentage of students desiring a different type of SOE program did not vary with years in vocational agriculture. The percentage of students desiring a change were 54.4 percent for those who had
Start Your Students Off With A Personal Resource Inventory

By James L. Burcher and John H. Crecelton

The challenge of stimulating a beginning student's interest in starting a supervised occupational experience project has always been an annual task for the agricultural teacher. Students will continually claim they do not have opportunities for a project and this feeling begins to build up a negative attitude toward this part of our program early in the school year. A positive approach to use in starting students to think about different resources available to them for possible out-of-school projects is to ask each student to complete a Personal Resource Inventory form as shown in Figure 1.

The teacher should distribute this Inventory during a class period early in the school year and explain unfamiliar terms: supervised occupational experience program (SOEP), improvement projects and give examples of how the form can be completed. It is important that the teacher read the directions to the class for completing the form and that each student should seek the help of parents or guardians. Furthermore, teachers can point out that the more they know about the student, the better they can plan for future instructional topics.

This learning activity will result in several positive outcomes. Some of the more obvious are: 1) students will be made aware of project opportunities available to them at home or near their homes; 2) parents will be actively involved in their child's education; 3) teachers can help identify potential SOE projects for each student; 4) students are made aware of agri-related learning opportunities; 5) students are assuming an active role in their educational program; 6) teachers can use this information in applying everyday instruction to the needs, interests, and backgrounds of the students; 7) the Inventory is an excellent way to start the first supervisory visit to a student where the student, parent, and teacher can discuss points on the Inventory which can lead into future projects and a quality educational experience.

Agricultural educators have always maintained that instruction starts where the student is. What better way to do this than through a Personal Resource Inventory completed by each student.

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Figure 1

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JANUARY, 1984
Improving Projects Through Exhibition

Several years ago in Oklahoma, many teachers felt a need for their students to exhibit their mechanics projects. As a result of this need, the management of three State Fairs in Oklahoma were contacted and premiums were established for an agricultural mechanics exhibit at each of the fairs. Guidelines for entries and a scorecard for judging were developed. As with any program, changes have been made to improve areas of weakness. Because of their success, agricultural mechanics exhibits have been established at most of the County Fairs throughout the State.

Earning Recognition

Through the years, the showing has had tremendous effect on the type and quality of livestock being produced. Most breeders select and breed the type of animals that are being accepted in the showing. However, when it comes to feeding and fitting those animals, they adjust their feeding program and fit the animal in such a way as to have the desired appeal to the judge. If the showing has such an impact on improving the quality of livestock of FFA members, why not let it improve the work students do in a vocational agriculture mechanics laboratory?

Judging Projects

The general guidelines specify that all projects exhibited must have been constructed by FFA members in the vocational agriculture laboratory within the two years prior. To add uniformity to the exhibit, exhibitors were developed and are provided by the State Vocational Agriculture Office for the exhibitor to list the bill of materials and cost of the project. A score card was developed to provide guidelines for judges to use in placing the exhibits.

FARM SHOP EXHIBIT SCORE CARD

| Workmanship | 1. General appearance | 10 |
| C. Number of tools | 15 |
| 2. Structure and Design | 15 |
| B. Quality of workmanship | 10 |
| C. Number of tools | 10 |
| 3. Practicality | 10 |
| A. Labor saving on the farm | 10 |
| B. Convenience and usefulness | 10 |
| 4. Material | 10 |
| A. Economic choice of material | 10 |
| TOTAL POINTS | 100 |

Quality Incentives

As we think of all the glamour and fanfare associated with livestock shows, we have a tendency to expect exhibiting laboratory projects to conquer. This may be true to some degree; however, it is amazing to watch the students bring in their entries. Students entering their projects take as much pride in setting up and "grooming" them as a student getting ready to show a steer at the fair. If the project got scratched or dirty in transit to the fair, you may see them washing or touching up the scratches with quick drying spray paint. Students feel it is not only the project on display throughout the duration of the fair, but they and their chapter also, and they are anxious to make a favorable impression.

Having served as Superintendent of the Agricultural Mechanics Exhibit at all three of the State Fairs in Oklahoma for the past eleven years, it has been my privilege to observe many parents, grandparents and patrons of the communities where the chapters are located, say proudly, "Here are some projects our kids built." Students will be more quality conscious when they know their work will be evaluated by hundreds of "judges." The most frequent question asked from fairgoers is, "Are these projects for sale?" The quality shown in the projects is admired by all.
Stories in Pictures

Entrepreneurs need agriculture knowledge and skill to succeed

Agronomy

Mechanical Construction

Mechanical Operation

Livestock

Business

Leadership

(Photographs courtesy of Dave Wilson, Vern Luft and Verlin Hart.)