

# Farm Business Management Education Early-Career Instructor Transition Project Report

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## Background

Newly hired farm business management education instructors in the past have struggled to quickly climb the steep learning curve of the profession, enroll students, develop effective teaching strategies, and successfully retain satisfied students. An idea emerged from Al Brudellie and Cliff Vrieze that sought to test the idea that programmatic transition efforts involving the retiring and newly hired instructor would, indeed, increase student and instructor retention and satisfaction. Initially testing this proof -of-concept with a smaller amount of resources from MAELC, the genesis of this idea resulted in a proposal to extend the opportunity to include more early-career and retiring instructors. The following report and appendices describe the results of this innovative program that was experienced by eight early career instructors.

The Regional Deans of Management Education submitted applications to Julie Tesch for up to \$5000 per instructor in May 2008 for use in FY 2009. Within each of the applications, transition program activities were outlined by the applicant. In addition to participation in the Professional Excellence Program (PEP), an induction program for early-career farm business management education (FBM) instructors, new instructors were provided with technical and professional assistance and mentoring from the retiring FBM instructor, or an assigned mentor. Initiated through the efforts of Al Brudellie, a current Regional Dean of Management Education and former MAELC Board member, the intent of the transition program was to provide new FBM instructors during and/or prior their first year of employment with assistance as they transitioned into their professional roles.

One of the major desired outcomes of the programmatic transition program was retention of a high percentage of producers formerly taught by the retiring instructor. An equally important outcome was the retention of the new instructor who usually experience an extremely demanding experience over the first few years. In addition to recruiting new producers and providing on-site instruction, their initial year is highlighted by the need to learn how to confidently teach the statewide curricula and multiple business and analysis software programs to producers who have a variety of educational backgrounds and business situations.

Complete results of the programmatic assistance and induction activities funded by the Council are found within the Professional Excellence Program reports which are found in the Appendices section of this report. Summaries of the activities of the early-career FBM instructor, designated mentor or retiring instructor, student and instructor retention, and supporting comments follow.

### **Primary Instruction, Mentoring, and Other Support Activities Provided by the Retiring FBM Instructor and/or FBM Mentor**

- Provided on-going support (psychosocial)
- Instruction in use of FINPACK Programs
- Assist in reviewing and analyzing FINPACK output
- Used sample problems to teach FINPACK (cash flow and annual analyses)
- Taught instructor how to effectively operate and teach accounting software (i.e., PC Mars, QuickBooks, Farm Biz etc.)
- Provide ideas for improving instruction to current producers
- Assisted in reviewing the files and records for each producer
- Purposeful instruction and mentoring by Regional Dean over 4 day period
- Assist in recruiting by assisting with prospecting and recruitment strategies
- Assist the new instructor in understanding and learning how to properly respond to college processes, policies, requirements, and communications
- Provide technical knowledge
- Assist in developing new teaching strategies for producers
- Introduce instructor to agricultural lenders
- Introduce instructor to current students
- Introduce instructor to community members and agricultural educators
- Introduce instructor to college administrators and staff
- Produce a list of agricultural lenders to contact
- Readily available to respond to any questions of the instructor
- Provide names of potential new students
- Provide and teach instructor how to use spreadsheet decision aids
- Provide visits to agricultural lenders
- Provide overview of local FBM office procedures and practices
- Provide instruction and proper use of use of copiers, printers, e-mail programs and other software
- Meet program partner representatives (i.e., Dairy Initiatives, Minnesota Department of Agriculture, Mn FBM Instructors, Minnesota Bankers Association, Extension Educators, Minnesota Center for Farm Financial Management)
- Provided ideas to optimize time management

### **Early-career FBM Instructor Activities**

- Meet existing students with retiring instructor and/or mentor
- Recruit new producers (students) into the program
- Do a lot of observing and listening
- Participate in the Professional Excellence Program
- Interact and regularly communicate with retiring instructor and/or assigned mentor to learn about existing program
- Learn new software programs with assistance of retiring instructor, peers, and trainers
- Enroll current and new students
- Teach individualized lessons
- Meet and work with agricultural lenders
- Learn how to use decision aids and how to teach producers to use

- Become familiar with college policies and practices
- Meet college, community, professional peers, and students
- Learn about requirements and college procedures for student enrollment, tuition payments, financial aid, scholarships, instruction, and program management
- Attend meetings convened by the regional dean/ program director of management education

### Producer Retention Results for New FBM Instructor – Year One

The data for this report involve five first year instructors, two instructors who just completed a second year, and one instructor who completed their fourth year (but moved to a new program after completion of their third year). All instructors received assistance in transition from a retired or practicing instructor. When calculated at the end of the first year, the data in Table 1 reveal that the instructors retained from 65.8-113% of the students of the previous instructor. In addition, the instructors increased their program enrollment by an average of five additional students by the end of their first year. With a mean attrition rate of 13.8%, this cadre of early career first year instructors enrolled new students in year one, and were able to retain or enroll an equal number of students (284) enrolled by the experienced FBM instructor who retired from the profession.

Table 1

*One Year Student Retention Rates for Instructors Who Participated in the FBM Transition Program*

	Credits or No. of Students in Program When Instructor Arrived	No. Retained	% Retained	New Students Enrolled – Year 1	Total	% of Original
Instructor A	25	18	72.0%	5	23	92.0%
Instructor B	30	30	100.0%	0	30	100.0%
Instructor C	50	47	94.0%	7	54	108.0%
Instructor D**	46 (459.5)*	46 (517)	100.0%	6	52	113.0%
Instructor E	36	35	97.2%	12	47	131.0%
Instructor F	35	29	82.9%	4	33	94.0%
Instructor G	27	21	77.8%	1	22	81.5%
Instructor H	35	23	65.7%	0	23	65.8%
Total	284	249		35	284	
Mean	35.5	31.1	86.2%	4.4	35.5	100.0%
SD	8.7	10.9	0.1	4.1	13.5	0.2

Note: \*= assumed average of 10 credits per producer; \*\*Experienced instructor who moved to a new region

## Instructor Retention Results

While all instructors were retained after year one as an FBM instructor, 87.5% (n=7) of the instructors received contracts to continue into year three.

Table 2

### *Percentage of Early Career FBM Instructors Retained*

	Retained at End of Year One	Retained at End of Year Two
Instructor A	Yes	Yes
Instructor B	Yes	Yes
Instructor C	Yes	Yes
Instructor D	Yes	Yes
Instructor E	Yes	Yes
Instructor F	Yes	Yes
Instructor G	Yes	Yes
Instructor H	Yes	No
<b>Summary</b>		
Retention Rate (%)	100	87.5 ( 85.7)

Note: Retention indicates instructor qualified for a continuing contract. \* - value when experienced instructor removed though the instructor was offered a continuing contract at the end of year one and two when they began their career as a FBM instructor.

## **Participant and RDME Observations and Comments about Experiences and the Programming Funded by the Transition Grant Proceeds Provided by MAELC**

- Quotations Regarding the Success of the Transition of the Students from the retiring to the Early Career Farm Business Management Education Instructor:

*"...This arrangement has worked out extremely well. 30 FBM students have transitioned from Mike to Randy. At first this was not as easy as it seemed as students still wanted to have Mike as their FBM instructor. It took a couple visits to the farm in many cases before they excepted Randy. Once doing so the transition has been terrific. I have not received 1 complaint related to Randy's job performance, but have received numerous compliments from his students, area ag lenders and other ag professionals in the area which Randy serves..."*

*"...We retained one teacher which is what was there before...It would have been a lot tougher on me if I would not have had the opportunity to work with a mentor with this MEALC grant. I appreciate very much, Thank you!!!! ... He was there for me when ever I had any questions about anything related to my FBM position..."*

*"The percentage of retained students from 08 to 09 was 95%+. Truly these results identified the need for this type of program..."*

*"The Farm Business Management transition period went extremely well...This head start on becoming familiar with how things were done out of the Truman*

*office was certainly the wise thing to do... I cannot begin to explain how valuable and critical it was for this transition period to happen. It was an excellent use of a number of entity's resources. It also serves as an excellent example of cooperation between different entities... All of the aforementioned activity, accompanied with the "learning by doing" activity, has given this program out of Truman every ability to succeed after the transition. Thanks to all who made this happen..."*

*"...This project successfully reduced the slope of the learning curve for the new instructors served... The second new instructor gained insight through this program and his own personal talent to enroll student numbers that are two short of a full time program. Another success... able to hire one new instructor that had great potential for the job, but limited time to learn the necessary skills. I am confident in saying that this program enabled us to take the chance to hire for potential because the transition program could provide the quality support to ensure success..."*

### **Conclusions**

The data represents the outcomes from a small number of instructors. The numerical data and quotes from the report authors suggest the conclusion that retention rate of students was likely influenced by the involvement of the retiring FBM instructors. Other anecdotal information received from regional deans of management, other FBM instructors, the coordinator of the Professional Excellence Program, and others, likewise, support this conclusion. However, other factors not addressed in this report may have also contributed to the apparent success.

The teacher retention rates after the first and second year are higher than reported for most K-12 faculty who initiate their careers without induction programs as experienced by the FBM instructors. Therefore, it seems reasonable to conclude that the retention rates of the instructors were likely influenced by the funding for the involvement of the retiring FBM instructors. However, other factors not addressed in this report may have, indeed, contributed to the apparent success.

### **Recommendation**

Resources to support this type of activity appear warranted. Unknown, though, is the magnitude of resources needed to accomplish the same outcomes. Therefore, it is recommended that resources continue to be secured for implementing this program, and that additional program investigations and evaluation procedures continue in order to determine the optimal levels of support for this type of program.

## **Appendices**

## **Northland College FBM Transition Program Report**

Ron Dvergsten, Regional Dean of Management Education

The MAELC transition project was to provide support for Instructor as he transitioned to take over Retired Instructor II FBM student base. The grant provided special assignment salary to Retired Instructor II to assist Instructor in the steep learning curve of taking over an FBM position from a well established instructor. NCTC funded the transition cost for Instructor II as its match for the grant.

Objectives accomplished with Instructor:

- Provided on-going support for Instructor during the year.
- 18 existing students were retained in the Beltrami and Clearwater county area. The goal was 25 students (farms)
- Recruited 5 new students during the past year. 10 was the goal.
- Instructor participated in the PEP program the past 2 years. Valuable instructional and program practices were gained. A solid understanding of the Finpack program was achieved through PEP and the transition mentoring program.
- Reviewed all Finpack files in detail with new instructor.
- Provided instructional support for all students that were retained .
- Individualized review of each student file and student goals.
- On-site mentoring with Instructor on eight instructional sessions over a 4 day period.
- Partner in recruitment activities including prospecting and on-site meetings to discuss the FBM program. Dairy Initiative program is one example.
- Reviewed the recommended procedures for following local college processes.
- Provide focused training on Finpack, especially situations related to unique transactions in the farm business.

Instructor was becoming a very good FBM instructor during his 2 years in the position at NCTC. However, Instructor decided this spring to except a new position in Bemidji to start a Landscape Management Program at Northwest Technical College.

Our other new instructor hired in the past 2 years is Instructor II. Retired Instructor I is the retiring instructor. We were able to retain Retired Instructor on a part-time basis following his retirement with the annuitant retirement program which allows a retired instructor to be rehired if the college has a need for their serves. This arrangement has worked out extremely well. 30 FBM students have transitioned from Retired Instructor to instructor. At first this was not as easy as it seemed as students still wanted to have Retired Instructor as their FBM instructor. It took a couple visits to the farm in many cases before they accepted new instructor. Once doing so the transition has been terrific. I have not received 1 complaint related to new instructor's job performance, but have received numerous compliments from his students, area ag lenders and other ag professionals in the area which new instructor serves.

Program objectives met with Instructor were also accomplished with the new instructor.

Another benefit of this transition is that new instructor has helped Retired Instructor I implement many new technical teaching skills as well. Overall, between the 2 sites NCTC retained 48 of 60 farms and 15 new farms have started in the past 2 years from the transitions sites at NCTC.

**Ridgewater College FBM Transition Program Report**  
Instructor Molenaar, Regional Dean of Management Education

We retained 47 out of 50 students. With one of those selling his farm, another selling his milk cows and the third moving to ND with his Beef cows. Since then I have added 7 new people and am meeting with another one on Wednesday, and have two others I have done cash flows for and as soon as the dairy turns around they may be in the program also. We retained one teacher which is what was there before.

Retiring Instructor introduced me to most of his producers, in addition he gave me names of possible new people. He put together a list of bankers in the area and introduced them to me at partners in ag breakfast in Sept. He also went through both of the computer programs and gave me instruction on how to use them. (Farm Biz and Quickbooks) We worked on a sample finpack analysis and how to use the program. He helped me develop two actual cash flows for farmers who were in need of assistance to get financing. He was there for me whenever I had any questions about anything related to my FBM position.

I really feel this is a great program and don't know how I would have made it without the grant. It would have been alot tougher on me if I would not have had the opportunity to work with a mentor with this MAELC grant. I appreciate very much, Thank you!!!!!!

New Instructor

## **Riverland Community College FBM Transition Program Report**

Eric J. Deters, FBM Program Director

Proceeds from the MAELC grant were spent on the transition of new instructor to the Owatonna area. new instructor assumed the position vacated by the Retired Instructor.

A plan was developed with Retired Instructor to spend 20 days with new instructor from July 0f 08 to June 09. During that time Retired Instructor was to introduce his past students and work with New Instructor on some special case students. Computer software that was used included PC Mars (accounting), FINPAC (analysis) and some tailored spreadsheets that Retired Instructor used with his students. Retired Instructor was also there to help New Instructor through the transition of college policies. Filling out the various reports/forms and proper distribution.

Do to a communication error Retired Instructor was not able to complete all 20 days, but did put in 80 hours of paid time and another 60 hours of unpaid time (these hours are the error hours, the scupps was cancelled before the program was completed)

The ending results are that the site credits sold in 07-08 was 459.5 and in 08-09 was 517. The percentage of retained students from 08 to 09 was 95%+.

Truly these results identified the need for this type of program.

## **South Central College FBM Transition Program Report**

Al Bruderie, Regional Dean of Management Education

The Farm Business Management transition period went extremely well. I found it to be professionally and personally rewarding as I met with students and worked on their financial analysis. Beyond this and just as important was the ability to meet them personally so they became more comfortable with the new guy. This head start on becoming familiar with how things were done out of the Truman office was certainly the wise thing to do.

It consisted of about 35 days broken up into chunks of 1 or 2 weeks at a time in order to optimize the experience. The shadowing days took place from the 1<sup>st</sup> of February through the second week of April.

I kept saying in my head as I experienced new things, "How long would it take me to figure this out if I weren't here today?" Beyond this, it seems that the position of FBM instructor is one that a person is not simply trained for. This transition period has helped immensely to reduce the learning curve. Reducing the learning curve and establishing a smoother hand off of students was one of the main goals of this plan and it worked very effectively. What I really liked was beyond helping the new and current FBM instructor, this transition program really kept the students needs in mind. The students are what the program is here for and they were put at ease because of it. I have learned that there is a tremendous level of trust between the student and faculty.

I was able to meet and/or play a part in the financial management of over two thirds of all the students currently in the program. On top of this I did a number of farm visits which enabled me to gain valuable perspective of the individual's farm business. I look forward to meeting all the students on their farm as it gives great perspective into the personal and professional picture of the student.

After doing lots of observing and listening, I determined some of the main steps in successfully preparing and completing a year-end analysis. To begin with it is critical to keep and maintain complete records. This must be done by the student on site or at home, but either way in a timely manner at various times throughout the year. Also, shortly after November or December, the records should be checked to be sure everything is in order to better prepare for a tax estimate if they so desire or simply for year end. It does not work well to bring them in for analysis only to find out that things are missing or the student's memory is short. After records, an extremely correct balance sheet will lead to a successful analysis and cash flow statement. Oh yes, get the loans with principle, interest, and accrued interest correct sooner than later.

This leads to the next critical relationship, those of the bankers. I was fortunate to go on a couple of bank tours with Retired Instructor and his colleague. Meeting those fine folks and building a relationship with them is simply a must. Trust and openness with the lenders is an ingredient for success. The support that most of the lenders give in the form of tuition assistance is greatly appreciated by all and shows the confidence they have in correct and timely information for their client's business matters. Just recently I visited a banker for the first time and went over a number of items with him. He was reluctant to visit in depth at first, but then opened up and

started asking many questions about the aspects of the program. I was pleased when he quoted the farmers we have in common actually say to him, "I want to run this by my farm management instructor before going ahead with this" in regards to a new or existing loan.

I cannot begin to explain how valuable and critical it was for this transition period to happen. It was an excellent use of a number of entity's resources. It also serves as an excellent example of cooperation between different entities. It has already been measured successfully in the many relationships that I have established that certainly ensured a high student retention rate. I retained all of the former students with the exception of one who was at 4 credits and basically had asked Retired Instructor for help completing his own FINAN on the farmer owed FINPACK software. So in my first year I began with 36 farms and recruited approximately an additional 12 for a total of 48. Now at the end of my second year I will have ended with about 54 farms. I expect to gain a couple of new students for the coming year, but also will lose 3 or 4 as they are getting out of the farm business. As it all comes out in the wash I expect that the college has gained quite a bit financially out of this transition plan as there was no dip in enrollment which allowed for a spring board effect to new students. This as we all know makes the cost per credit sold less and less.

All of the aforementioned activity, accompanied with the "learning by doing" activity, has given this program out of XXX every ability to succeed after the transition. Thanks to all who made this happen.

New Instructor  
FBM Instructor

## **Central Lakes College FBM Transition Program Report**

Del Lecy, Regional Dean of Management Education

This project provided support to 2 brand new faculty members for the transition from a long-time instructor to a new instructor, and, to a lesser degree, one 2<sup>nd</sup> year faculty member. This project successfully reduced the slope of the learning curve for the new instructors served. Instructor 1 (2<sup>nd</sup> year instructor) are instructors in one program, located in the Little Falls office, Morrison County. Instructor 2 is the instructor of the other program, located at the Staples office, Todd/Wadena/Cass County area.

Objectives accomplished with these instructors included:

- Provided on-going support for typical questions related to “start-up” issues in FBM
- Enabled these new instructors to enroll 78 students by the end of the Spring term:
  - Instructor 1 – 23
  - Instructor 2 – 22
  - Instructor 3 – 33

NOTE: Additional students will be registered for Summer Session

- These instructors participated in the PEP program, and gained valuable information to support the efforts of the transition instructor, Retired Instructor.

The transition instructor provided the following support:

- Provided at-the-farm introductions for all students in the Little Falls program that transferred from the previous instructor to the new instructor, and local agricultural contacts. This did not occur with the Staples program students, but support was provided in guiding the new instructor prior to making the initial contacts.
- In both locations, an individualized review of each student file was provided by the retiring instructor with the new instructor.
- 38 on-site mentoring events with the new instructors occurred, exceeding the four instructional sessions per instructor goal.
- 24 individual discussions/office/time management meetings were held with the new instructors.
- Numerous communication events occurred using the phone and email to support general questions and issues. The transition instructor was basically “on call”.
- Provided focused training on FINPACK, college process, time management, recruitment techniques, participating in Central Minnesota Dairy Profit Team meetings and planning efforts, and questions related to the unique nature of each student situation.

Overall the transition instructor has recorded over 50 days of effort to support the transition project. CLC was able to hire one new instructor that had great potential for the job, but limited time to learn the necessary skills. I am confident in saying that this program enabled us to take the chance to hire for potential because the transition program could provide the quality support to ensure success. This instructor has enrolled 22 students to date, made contact with 40 students for future sessions, and is in the process of registering students for the summer session at this time. This program has set the groundwork for a full time program next year, one year in advance of traditional thinking.

The second new instructor gained insight through this program and his own personal talent to enroll student numbers that are two short of a full time program. Another success.