

APPLY FARM MANAGEMENT PRINCIPLES

ISCED UNIT CODE: 0811 451 07A

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UNIT DESCRIPTION

This unit describes knowledge, skills and attitudes required to apply farm management principles. It involves applying farm management concepts, managing marketing challenges in agricultural production, and applying farm accounting techniques. It also involves application of farm planning techniques.

ELEMENTS AND PERFORMANCE CRITERIA

ELEMENT	PERFORMANCE CRITERIA
These describe the key outcomes which make up workplace function	These are assessable statements which specify the required level of performance for each of the elements. <i>Bold and italicized terms are elaborated in the Range</i>
1. Apply farm management concepts	1.1 <i>Functions of farm management</i> are applied based on enterprise requirements 1.2 <i>Forms of business operations</i> are applied based on existing business structures 1.3 <i>Concepts of human resource management</i> are applied based on agricultural enterprise needs
2. Manage marketing challenges in agricultural production	2.1 Risks and uncertainties in agricultural production are identified based on farm enterprise 2.2 Risks and uncertainties in agricultural production are managed based on farm enterprise 2.3 Constraints in agricultural marketing are managed based on the enterprise
3. Apply farm accounting techniques	3.1 <i>Farm records</i> are prepared and maintained based on agricultural enterprise 3.2 <i>Books of account</i> are prepared and maintained based on agricultural enterprise 3.3 <i>Statements of account</i> are prepared and maintained based on agricultural enterprise
4. Apply farm planning techniques	4.1 Farm plan is prepared based on agricultural enterprise 4.2 Farm budget is prepared based on agricultural enterprise 4.3 Business plan is developed based on farmer needs

RANGE

This section provides work environment and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

Variable	Range
1. Functions of farm management may include but are not limited to:	1.1 Decision making 1.2 Setting objectives 1.3 Forecasting 1.4 Planning 1.5 Implementation 1.6 Controlling
2. Forms of business operations may include but are not limited to:	2.1 Sole proprietorship 2.2 Partnerships 2.3 Cooperatives 2.4 Corporations 2.5 State corporations
3. Concepts of human resource management may include but not limited:	3.1 Interviews and recruitment 3.2 Staff development 3.3 Human relations and communication 3.4 Labour retention
4. Farm records may include but not limited to:	4.1 Breeding records 4.2 Labour records 4.3 Health records 4.4 Visitation records
5. Books of account may include but not limited to:	5.1 Ledger 5.2 Cash book 5.3 Purchase journal 5.4 Sales journal 5.5 Receipt books
6. Statements of account may include but not limited to:	6.1 Balance sheet 6.2 Income statements 6.3 Cash flow statement 6.4 Profit and loss account

REQUIRED KNOWLEDGE AND SKILLS

This section describes the knowledge and skills required for this unit of competency.

Required Knowledge

The individual needs to demonstrate knowledge of:

- Functions of farm management
- Forms of business organizations
- Risks and uncertainties in agricultural production
- Concepts of human resource management
- Basic concepts in use of credit
- Farm records
- Farm accounts
- Farm planning
- Farm budgeting
- Business plans

Required Skills

The individual needs to demonstrate the following skills:

- Communication
- Problem solving
- Leadership
- Time management
- Teambuilding
- Critical thinking
- Management

EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills and range.

1. Critical Aspects of Competency	Assessment requires evidence that the candidate: 1.1 Applied Functions of farm management based on enterprise requirements 1.2 Applied concepts of human resource management based on agricultural enterprise needs 1.3 Managed Risks and uncertainties in agricultural production based on farm enterprise 1.4 Managed constraints in agricultural marketing based on the enterprise 1.5 Prepared and maintained books of account based on agricultural enterprise 1.6 Prepared and maintained Statements of account based on agricultural enterprise 1.7 Prepared farm budget based on agricultural enterprise 1.8 Developed business plan based on farmer needs
2. Resource Implications	The following resources should be provided: 2.1 Access to relevant workplace where assessment can take place 2.2 Appropriately simulated environment where assessment can take place 2.3 Materials relevant to the proposed assessment activity or tasks
3. Methods of Assessment	Competency may be assessed through: 3.1 Practical 3.2 Project 3.3 Third party report 3.4 Portfolio of evidence 3.5 Written tests 3.6 Oral questioning
4. Context of Assessment	4.1 This competency may be assessed in a work place or in a simulated work place.
5. Guidance information for assessment	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.