

TINE Rådgiving

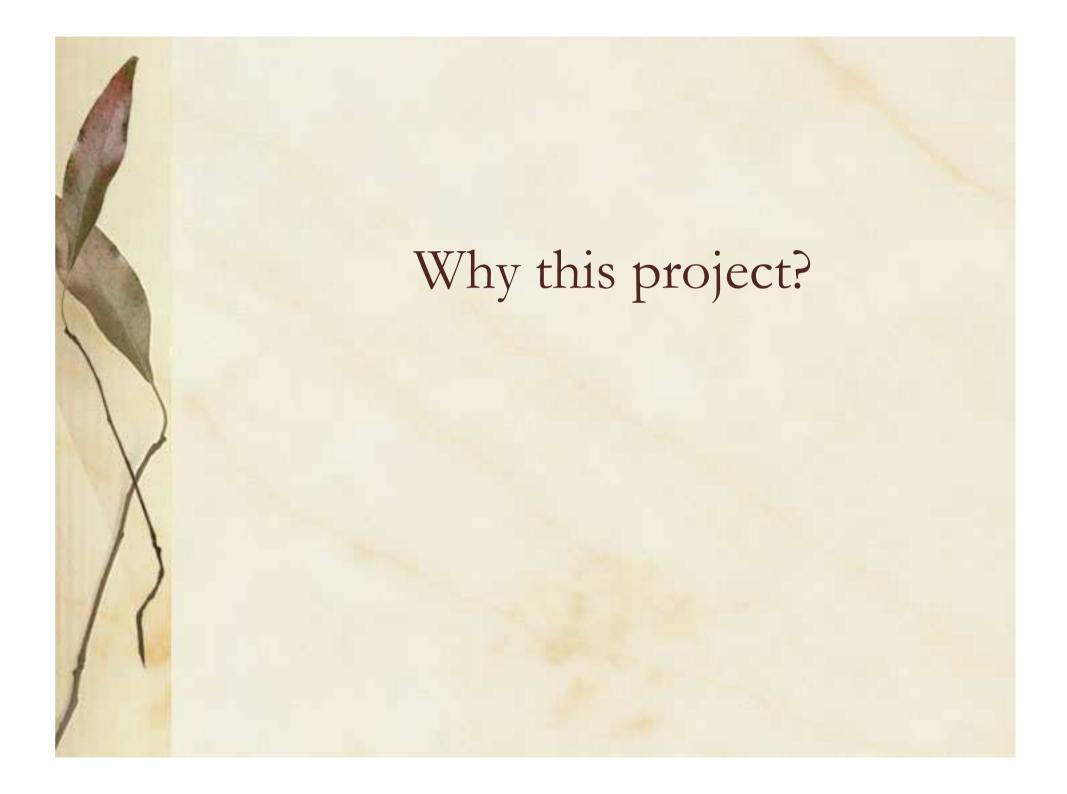


Effects of professional skills, experience, network and problem solving skills on production and farm economics





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From theory.... Human capital Productivity Profitability Social capital



Interviews – a positive experience

"Seven years between the kids also...."

"One of the problems with all the surveys is that often it is quite difficult to answer...sometimes it is impossible, because the questions recommend that you tick off more than one alternative, but you'r not allowed to so..."

Typical problem areas

Getting cows pregnant
Feed harvesting, feeding, milk quality
Somatic cells and mastitis
Weather

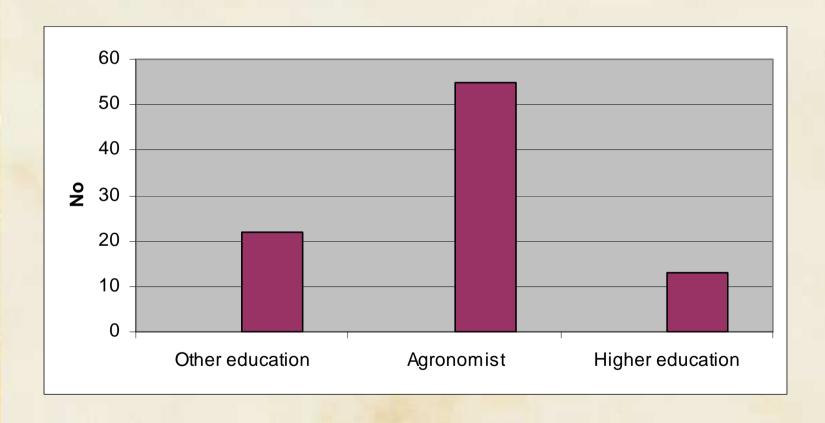
Weather

Technology...'I bought myself a so called automatic feed distributor, but nevertheless it turned out not to be so automatic'





Education



Professional knowledge/skills

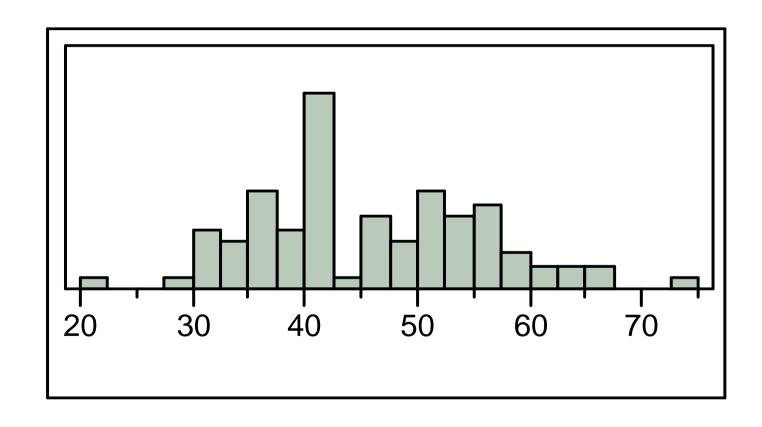
Agronomist education has a large impact, and higher education an additional effect

Compared to "other education" farmers with higher education have:

- + milk minus feed
- + roughage yield
- + roughage intake and concentrate consumption
- + fertility
- cost consumption articles
- + 0.26 NOK/l gross margin

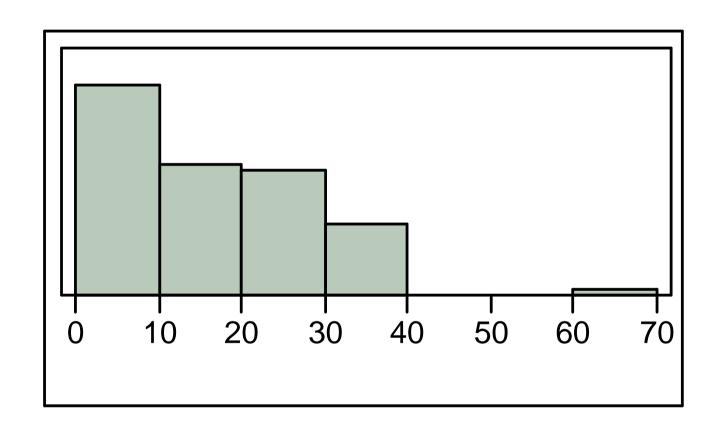
Educated farmers earn more money





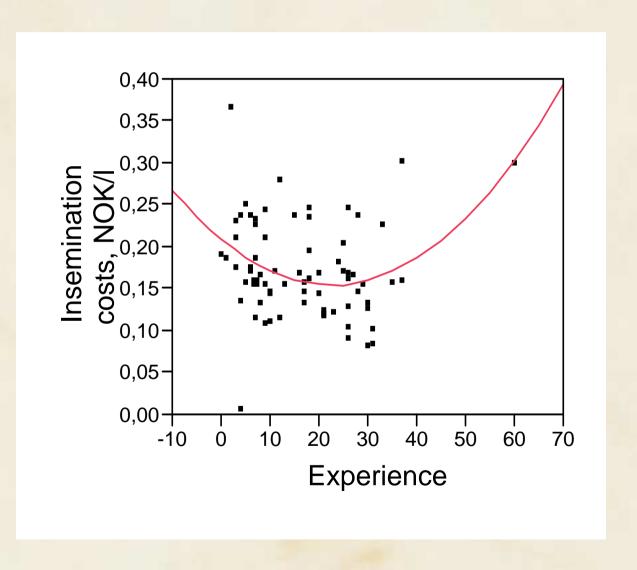
Middel 46 år 22-74 år

Erfaring, år



•Middel 16,4 år 0- 60 år

Does farming experience matter?

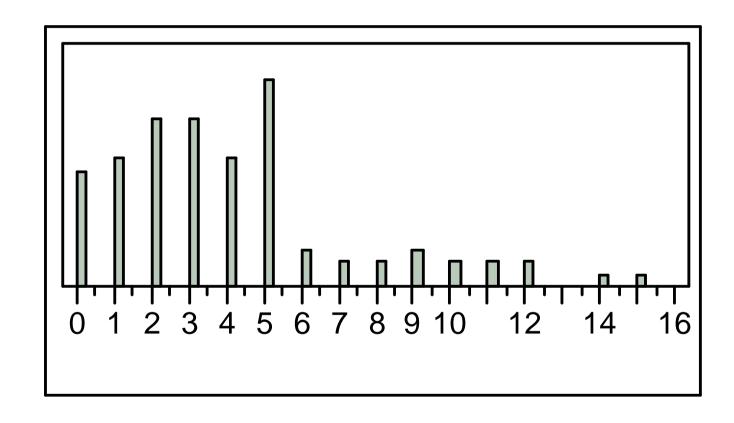




Communities of practice

Groups of people who share a passion for something they do and learn to do it better as they interact regularly

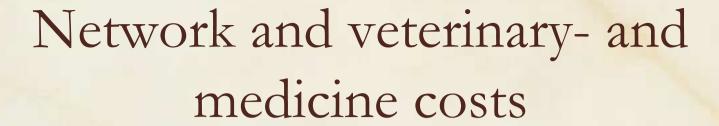
The farmers network

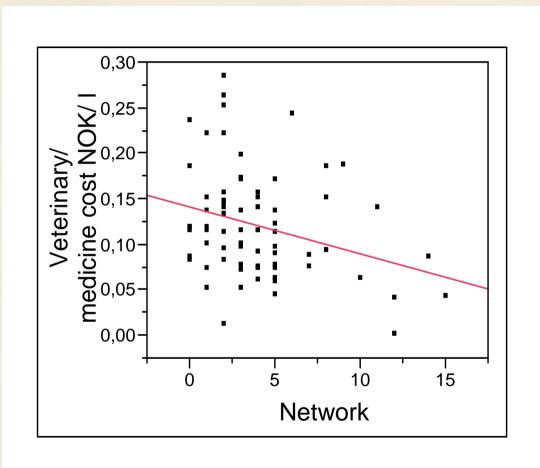


Mean 4

Median 3

Does network matter? - Veterinary and medicine costs +Fertility - Insemination costs +Milk income minus variable feed costs





Why?

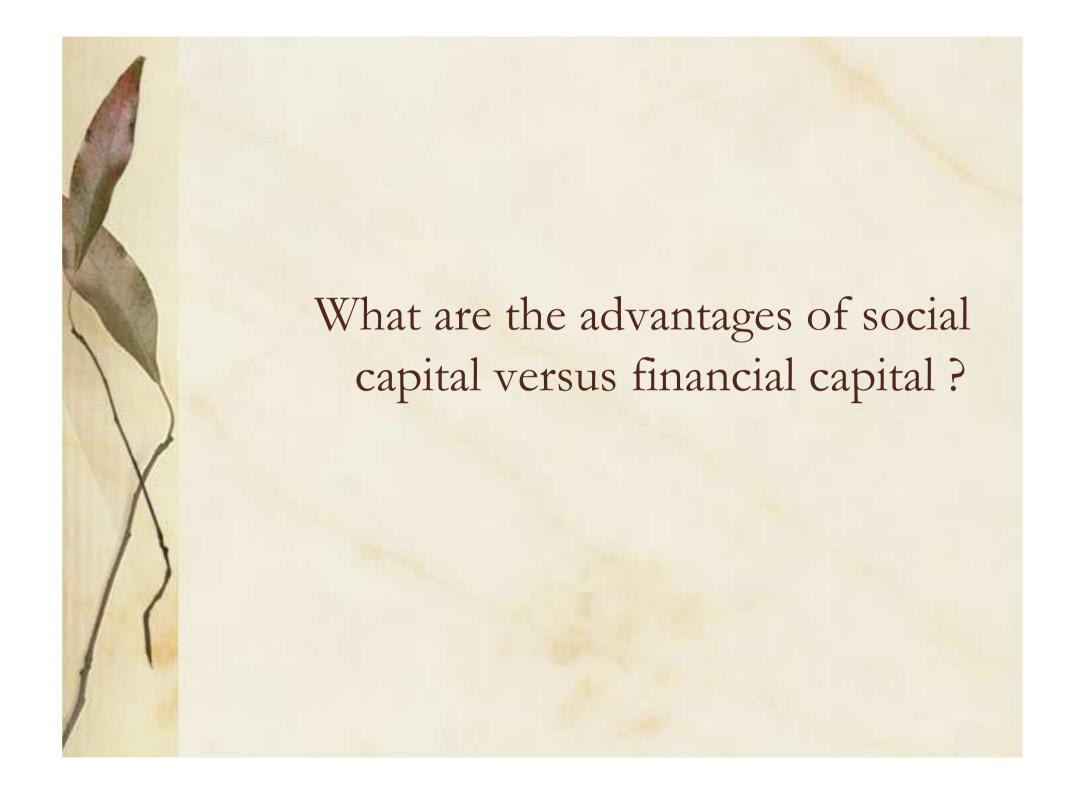
Interplay human ⇔social capital

Higher education Network ++ Fertility + Roughage intake + Gross margin

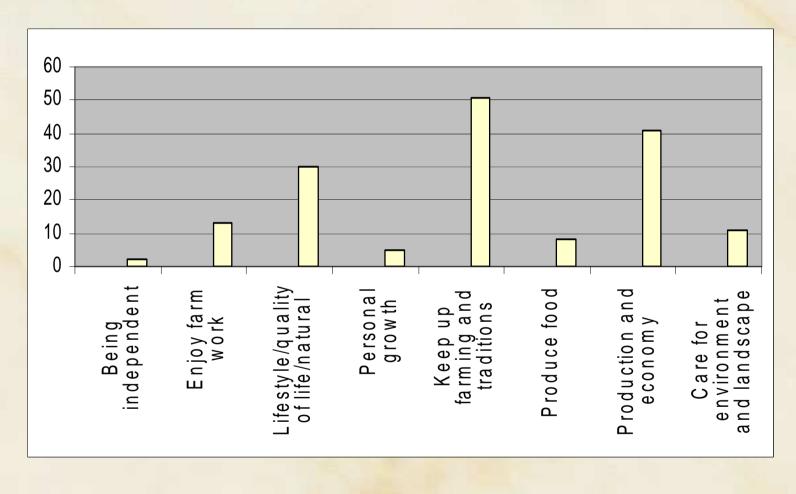
Fertility is about interplay....

In order to get a fertile herd you need:

- 1. experience/age
- 2. professional skills/education
- 3. large network
- 4. proactive problem solving or help from spouse/live-in/parents



Why run a farm?



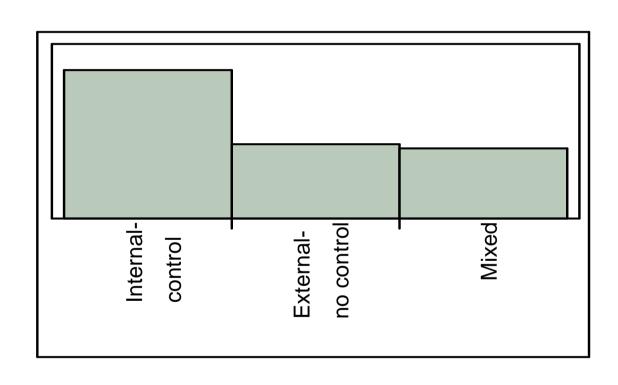
Causal attributions

Internal / external causes (feeding, weather etc.)

Controllable / uncontrollable

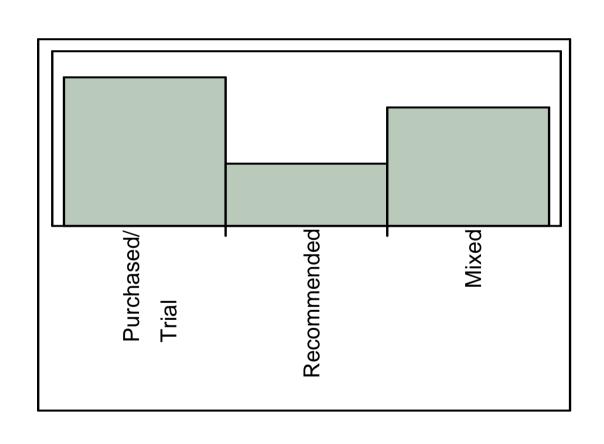
Does it make a difference?

Causes of farm income?



Listen carefully when people explain events that have taken place Farmers with mixed causes- both external and internal are better off economically Why?

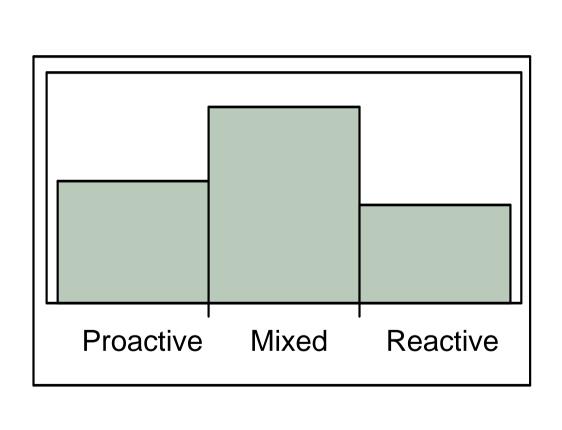
Problem solving strategies



Proactive or reactive?

Being proactive versus reactive means taking control over the situation before the situation controls you.

How do farmers solve problems?



Being proactive in practice

"Several years ago I once experienced offflavours in the milk. Immediately I got in contact with the local dairy consultant, but he could not help me. Then I remembered having read about oxidized flavour in a farming magazine. I glanced through all volumes of the magazine in my archive and found the article. Then I contacted my plant consultant and he discovered that the soil in this area lacked selenium...so next growing season I started using fertilizers with selenium. And the oxidation taste never appeared again."

Proactive farmers have...

- + Fertility
- + Milk income minus feed costs
- + Network
- + More engaged in strategic issues, not only day to day operations
- + A feeling of control over their problems
- + Fewer successors who will quit milk prod.

Do spouse/live-in/ parents play a role? + Fertility for those who are reactive + Gross margin in interplay with the accountant

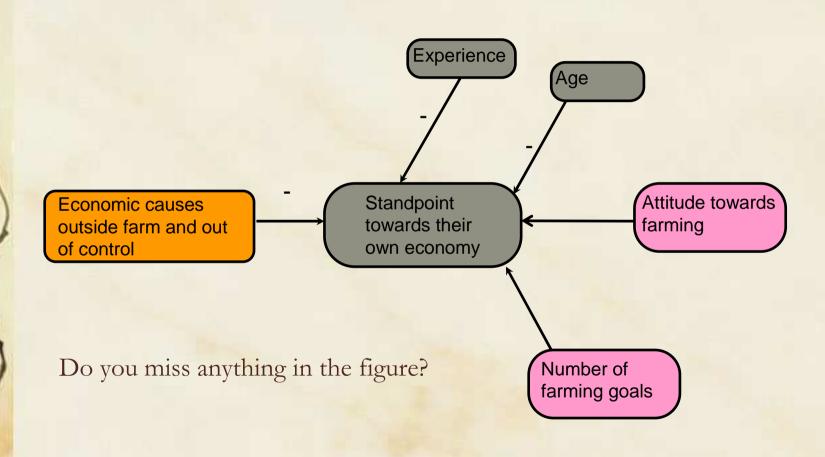
Does guidance from the accountant's office play a role? + Gross margin + Mixed attributions

Does economic guidance (EK) play a role? + Use of consultants.... - Use of suppliers... + Use of recommended methods... - Use of trial and purchased solutionsin problem solving

What do farmers think about their economy?



What affects their view on the economy?



Attitude.. possible consequences... • Do farmers attitudes to farming have an impact on their cows roughage intake per day?

Summing up

- Professional education and skills are important
- Get yourself a discussion partner!
- Be conscious of what you have control over and what you do not have control over- divide the world in two
- Practise to become more proactive!
- Guidance from consultants and support from spouse/live- in is important
- Look for positive aspects of farming



Thanks for your attendance!