

Farm Business Management: The Fundamentals of Good Practice

Chapter 14: Improving Farming Systems using Survey Data

Questions

1. Define what is meant by a 'sample of farms'.
2. What is random sampling error? How can it be reduced?
3. Why is pre-testing a survey questionnaire important?
4. Is 'profit surplus' a residual measure of farm return? If so, what is the significance of this status?
5. Discuss the conditions under which a 'residual measure' can be used to value a resource.

Tasks

1. Give two examples of farm or horticultural management uses of farm surveys. Give an outline of the procedure that would be used in each case and discuss how the results could be used to assist producers.
2. List three advantages of a mail survey and give your reasoning. Discuss whether you would use a mail survey to assess farmers' views of newly introduced environmental regulations.
3. What are the major advantages of collecting farm data using personal interviews? Describe any survey you are familiar with that used personal interviews. (Have you ever been the recipient of a telephone survey?)
4. Discuss the attributes of using 'direct observation' for collecting information. What training do you think people charged with being the observers need? Give your reasons.
5. How can sampling bias be reduced? In surveying local farmers to find out their debt levels and associated problems, how would you ensure this bias was minimized?
6. What is 'stratification with a variable sampling fraction'? Would you use this approach in the survey mentioned in the previous question. Give your reasoning.
7. Can you think of, and describe, five principles that should be adhered to when considering question wording in making up a survey questionnaire? Which is the most important? And why?

8. List three principles that should be followed when considering question ordering and format in a survey questionnaire.
9. Define 'enumerator-introduced bias' and how it might be minimized. As the supervisor of a farm survey, what would you say to your enumerators?
10. Discuss the statement 'the usefulness of a survey depends on how good the best farmers are'.
11. What are the possible sources of data for a comparative analysis? And describe two possible uses of comparative analysis with respect to the production types you are familiar with.
12. What is the 'systems index' in comparative analysis and how can it be used in improving farm management? Do you think it is a good measure? Why?
13. What is the 'yield index' and what can it be used for? Do you think it is a good measure? Why?
14. What is the significance of 'good luck' in a comparative analysis study? Do you think this is a significant problem? Give your reasoning.
15. What is the relevance of calculating standard deviations and confidence intervals when interpreting comparative analysis data? Discuss whether all comparative analysis/benchmarking reports should present these data.
16. List four statistics that could be calculated when evaluating the efficiency of marketing operations on a farm. Explain your choice.
17. What is meant by the fallacy of the money and physical factor–product ratios? Do you think this is an important fallacy? Why?
18. What is the importance of the statement 'because farms are grouped on the basis of output rather than input, the figures from the most profitable farms may not be of use in comparative analysis'?
19. What is the significance of farm standards varying each year? Would this be a problem in your area with its specific farming types?
20. What is the major theoretical problem in using whole farm production functions in advisory work? Would this be a problem with the farming type you are most familiar with?
21. List two methods of allocating fixed costs in cost accounting. What is the significance of the alternatives? Discuss the logic of each method.
22. Are there any problems in allocating variable costs in cost accounting? Give your reasoning.
23. When should the percentage return on capital be used to measure efficiency? Give examples to explain your reasoning.
24. Should an efficiency measure record marginal or average profitability? Give your reasoning.

25. Why is the difficulty of measuring managerial ability and labour quality a factor to be considered in survey and comparative analysis work? Explain your reasoning.
26. What is the significance of the statement 'survey information is historical information'? Is there any way to overcome any problems that might occur from using historical information?