

TWO DECADES OF LEARNING WITH TEPAP

Instructors reflect on TEPAP's changes through the years

BY JEANNE BERNICK

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The Executive Program for Agricultural Producers (TEPAP) is more than a weeklong course at a Texas resort; it can be life changing. Just ask Dick Wittman, a farmer from Culesac, Idaho, and farm financial consultant, who participated in the program more than 20 years ago. Now, he's a TEPAP faculty member, teaching management accounting and on-farm process management.

"Participants attending TEPAP come with different foundations, but all have the common goal of making learning and business improvement a lifelong journey," Wittman says. "TEPAP graduates experience a

life-changing epiphany as they take inventory of disciplines they either learned once but aren't applying, or they identify new practices with value that they can better appreciate

after bruising their managerial knuckles in their careers."

Wittman says this program helps successful, driven producers identify what they didn't know and build a

A TRIBUTE TO DANNY KLINEFELTER

Some thoughts on TEPAP's founder:

- "TEPAP is special because Danny was able to assemble world-class instructors, leading-edge producers and orchestrate educational programs. He created the Super Bowl of Ag Management." —*Dave Kohl, Virginia Tech*
- "Danny has made a huge contribution to American agriculture. He challenges the best producers in the country without talking down to them." —*Bernie Erven, The Ohio State University*
- "I've been with TEPAP from the beginning; it was a bear to get started, but Danny had the vision. He knew farmers needed this program. He is an asset to agriculture." —*Don Jonovich, Family Business Management Services*



Bernie Erven, Ag Economics Professor Emeritus, The Ohio State University

After two decades, TEPAP continues to attract bright, positive people. There is rarely a negative comment or situation, and there is an astounding sense of learning and openness in the sessions. People are here because they want to be here; they want to learn from each other.

The only way to stay successful in business is to keep challenges in front of you. Most of the producers who come to TEPAP acknowledge that where they are in their business is not where they want to be.

The question that persists most in the area of human resources is: How do I make human resource management and practices in my operation a strength and not a weakness? Most farmers never set out to be a "people person." They went into farming because they wanted to produce something.



Neil Harl, Ag Economics Professor Emeritus, Iowa State University

It is a challenge to keep up with the changing tax and estate laws that affect farm businesses. I applaud the producers who come to TEPAP. They want to learn, and they want to make their businesses better. The attendees here are the ones who rise to the top when times get tough. They are the innovators, and they are constantly trying to be better. They are the success stories.

path forward for implementing innovative new ideas.

Since 1991, the program has seen more than 3,000 farmers and ag professionals devote two weeks to business education. Attendees start in Unit 1 for one week, then return the following year for Unit II.

The program teaches advanced agribusiness skills, such as evaluating global economic development, niche market evaluation, analyzing and forecasting financial position, as well as personnel management and negotiation, shares Danny Klinefelter,

Texas A&M University ag economist and TEPAP founder. He retires this year and will be followed by Mark Welch, Texas A&M University assistant professor and Extension economist. (Learn more about Dr. Welch on page 12 of this issue.)

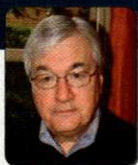
"It's been fascinating to watch agriculture change throughout 20 years and become more consolidated,

and yet more complex and diverse among people involved," Klinefelter explains. "But one thing has stayed the same: Producers appreciate networking with other farmers and gathering ideas they can take back to the farm. That's part of TEPAP's magic—learning from others."

To learn more about the program, visit <http://TEPAP.tamu.edu>. **TP**



To watch video interviews with TEPAP faculty and comments from founder Danny Klinefelter, visit www.topproducer-online.com/TEPAP.



Don Jonovich, Consultant, Family Business Management Services

There has been a subtle change in attendee attitudes during the 24 years I have taught at TEPAP. Farmers used to divide into two groups—those for farm programs and those against them. Today, farmers are much more broad-minded and come to the sessions ready to talk about farm business, management and growth.

The biggest question I get today is the same one I heard 20 years ago: How do I get my father to talk about a succession plan? The solutions are the same and start with communication. But there are some new tools like equity sharing and trusts that can help farmers today with transferring the farm.



Dave Kohl, Professor Emeritus, Virginia Tech

Today, there are definitely more women. There used to be only one or two women in each TEPAP group. Now, women make up 10% to 15% of our group. Additionally, initial TEPAP groups consisted primarily of gray-haired men. Now, 30% to 40% of the group is less than 40 to 45 years old.

In earlier classes, there was more of a focus on government programs. Today, the focus has shifted to global affairs and economics. Attendees are more entrepreneurial and growth-oriented than in the past. Now, progressive businesses are sending key employees instead of just owners. They are grooming the next generation.

What I see TEPAP managers using or implementing usually emerges five to 10 years later in average producers. These people are innovators and early adopters. It is the "place to be" for trendsetters.

I have learned that these top producers are still human with challenges and vulnerabilities. TEPAP gives them a chance to be away from home, let their hair down and express views they would not at local events. They have a real desire to improve their businesses and lives.



Dick Wittman, Farm Financial Consultant, Wittman Consulting

What is striking is that during a 20-year period, farmers still need improvement in financial proficiency and human resources. Some of our premier farm operators flunk in the financial arena.

They have never written a job description. They don't know how to do a cost-benefit analysis. TEPAP attendees have made a lifetime commitment to education, and they will be agriculture's survivors. Until you get educated on what you don't know, you're going to keep failing.



B School for Farmers

Given how important financial skills are to navigating life, it's surprising elementary schools don't teach children about money. The same could be said about ag colleges. Why don't more ag degree programs require courses on business and finance?

This question gnawed at me while I attended TEPAP (The Executive Producers in Agriculture Program), a week-long business program held annually in Austin, Texas. This year's program provided reflection, as longtime TEPAP Director Danny Klinefelter retired from the helm and handed the reins to Mark Welch, Texas A&M AgriLife Extension economist. Several other long-serving faculty also retired. See page 54 to learn what these educators have discovered from attendees through the years.

Despite a changing of the guard and 24 years of existence, the TEPAP program saw record attendance this year. There was more diversity in the classrooms. Attendees included a mix of farm owners, operators, managers, cow hands, children and spouses. As the risks and rewards grow larger in agriculture, it seems everyone on the farm is seeking greater knowledge in the areas of business processes, human resources, farm finance and accounting.

"If I were to advise a high school student who wanted to go back to run the farm, I would tell them to go to the best business school in the country," says Bernie Erven, professor emeritus of ag economics at The Ohio State University and TEPAP faculty member. "It's B School skills that are desperately needed now."

Who Will Teach? Where can young people go to learn finance skills needed to run a farm business in this current high-risk era of agriculture? The question is hard to answer. For decades, it was land-grant institutions, which upheld a mission of teaching practical agriculture. Today, land-grant universities have multiple constituencies to please—students, research peers, outside funding, Extension and taxpayers.

The pull of research dollars and federal education initiatives should not be allowed to crowd out basic farm business education, says Neil Harl, professor emeritus of ag economics at Iowa State University and TEPAP faculty member. "My greatest concern is that land-grants are on a trajectory that will narrow it to the point of invisibility," he says.

The need for business skills in today's ag environment is critical. Encourage your almaters to increase the number of finance, management and human resource classes. In the meantime, long live TEPAP. **TP**



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Top Producer

MONEY • MARKETING • MANAGEMENT
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