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## **Lecture 8**

# **Farm Management: Definition, Scope and Importance**



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# Farm Management:

Farm management comprises of two words: farm and management. Literally farm means a piece of land where crops and livestock enterprises are taken up under a common management and has specific boundaries. Management means the act or art managing.



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# Definitions

- Farm management is defined as the science that deals with organization and operation of the farm in the context of efficiency and continuous profits (J.N. Efferson).
- Farm management is defined as the science of organization and management of the farm enterprises for the purpose of securing greatest continuous profits (G.F. Warren).
- Farm management is defined as the art of managing a farm successfully as measured by the test of profitableness (Gray).



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**Thus in simple words, farm management can be defined as a science which deals with judicious decisions on the use of scarce farm resources, having alternative uses to obtain the maximum profit and family satisfaction on a continuous basis from the farm as a whole and under sound farming programmes. In other words, farm management seeks to help the farmer**



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# Scope and importance of farm management

Farm Management is generally considered to fall in the field of microeconomics. It deals with the allocation of resources at the level of an individual farm. While in a way concerned with the problems of resource allocation in the agricultural sector, and even in the economy as a whole, the primary concern of farm management is the farm as a unit.



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It covers aspects of farm business which have a bearing on the economic efficiency of the farm. thus, the types of enterprises to be combined, the kind of crops and varieties to be grown, the dosage of fertilizers to be applied, the implements to be used, the way the farm functions are to be performed, all these fall within the purview of the subject of farm management



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# Farm Management Research

- a) delineation of homogeneous type-of farming-areas in various regions of the country,
- b) generation of input-output coefficients and working out comparative economics of various farm enterprises,
- c) formulation of standard farm plans and optimum cropping patterns for different areas and types of farming



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- d) developing suitable models of mechanization and modernization; and
- e) evaluation of agricultural policies having a bearing on development and growth of the farm-firms.