

African Organic Agriculture Manual Booklet Series
No. 14 | Farm Management

HOW DO I MANAGE MY ORGANIC FARM?

Why invest into proper management?

Management of an organic farm has the same underlying objective as any other business: It aims at improving the benefits to the farmer and help surmount the major difficulties.

In organic farming, improving the benefits is generally done by:

- › first, focusing on reducing farm expenses by optimizing the use of the farm own resources.
- › secondly, focusing on minimizing production and financial risks caused by climatic stresses, pest and disease attacks, or price fluctuations.

What is the role of the farmer?

As a farmer, you are at the centre of all farm activities. You are the overall decision-maker, who determines the farm development goals and how well the farm performs. You make decisions on what to produce and where, how much to produce, what methods of production are used, where to sell and how.

Did you know that as a farmer, you are the most important resource on your farm?

Challenges you may be facing as a farmer



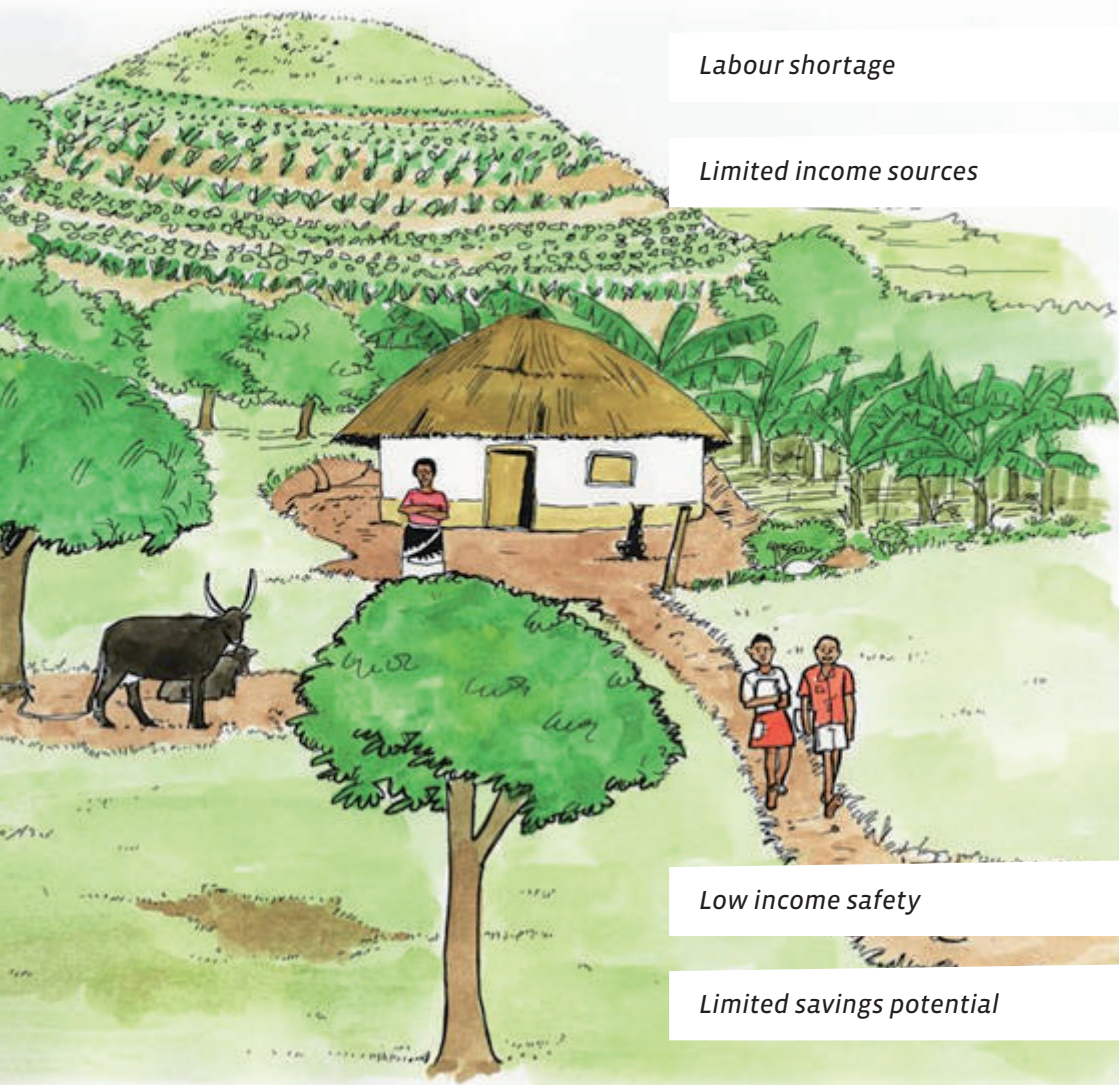
Overexploitation of land due to limited land ownership

Land scarcity or insecurity

Inefficient use of farm resources

High expenditures on farm inputs

mer:



Labour shortage

Limited income sources

Low income safety

Limited savings potential

What is special about management of an organ

An organic farm aims at achieving economic, ecological and social goals at the same time.

Ecological goals

The ecological goal basically aims at maintaining the quantity and quality of natural resources. Farming is done in an environmentally-friendly manner, protecting soil, water, air, plants and animals.

Organic farmers pay special attention to the fertility of the soil, the maintenance of a wide diversity of plants and animals, and to animal friendly husbandry.

To achieve these goals organic farmers maintain wide crop rotations, practice intercropping and cover cropping, plant hedgerows and establish agro-forestry systems. They further avoid the use of synthetic fertilisers and pesticides as well as genetically modified organisms (GMOs), which have proved to have negative effects on nature.

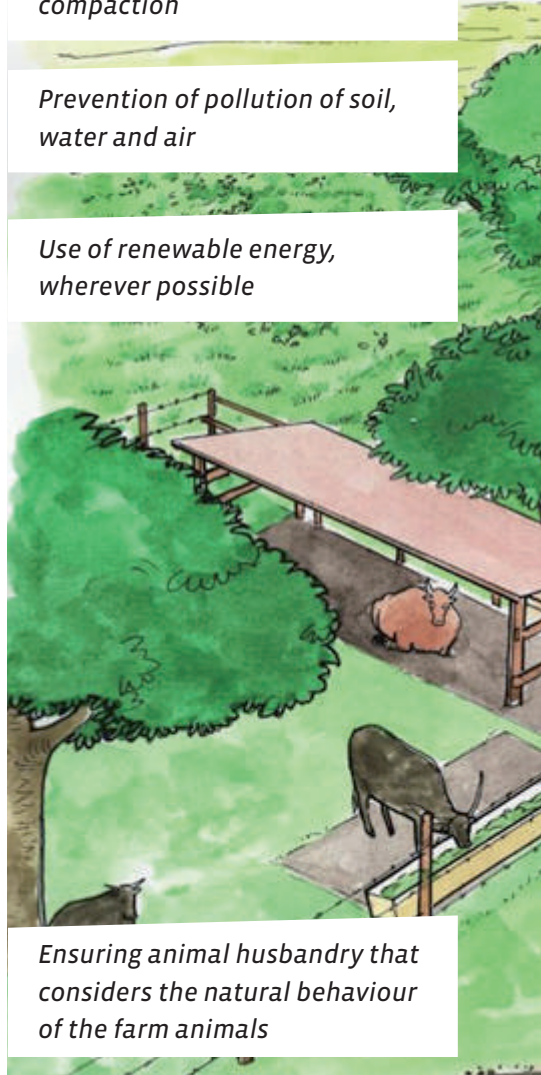
What have you done to improve the ecology around and within your farm?

Prevention of soil erosion and compaction

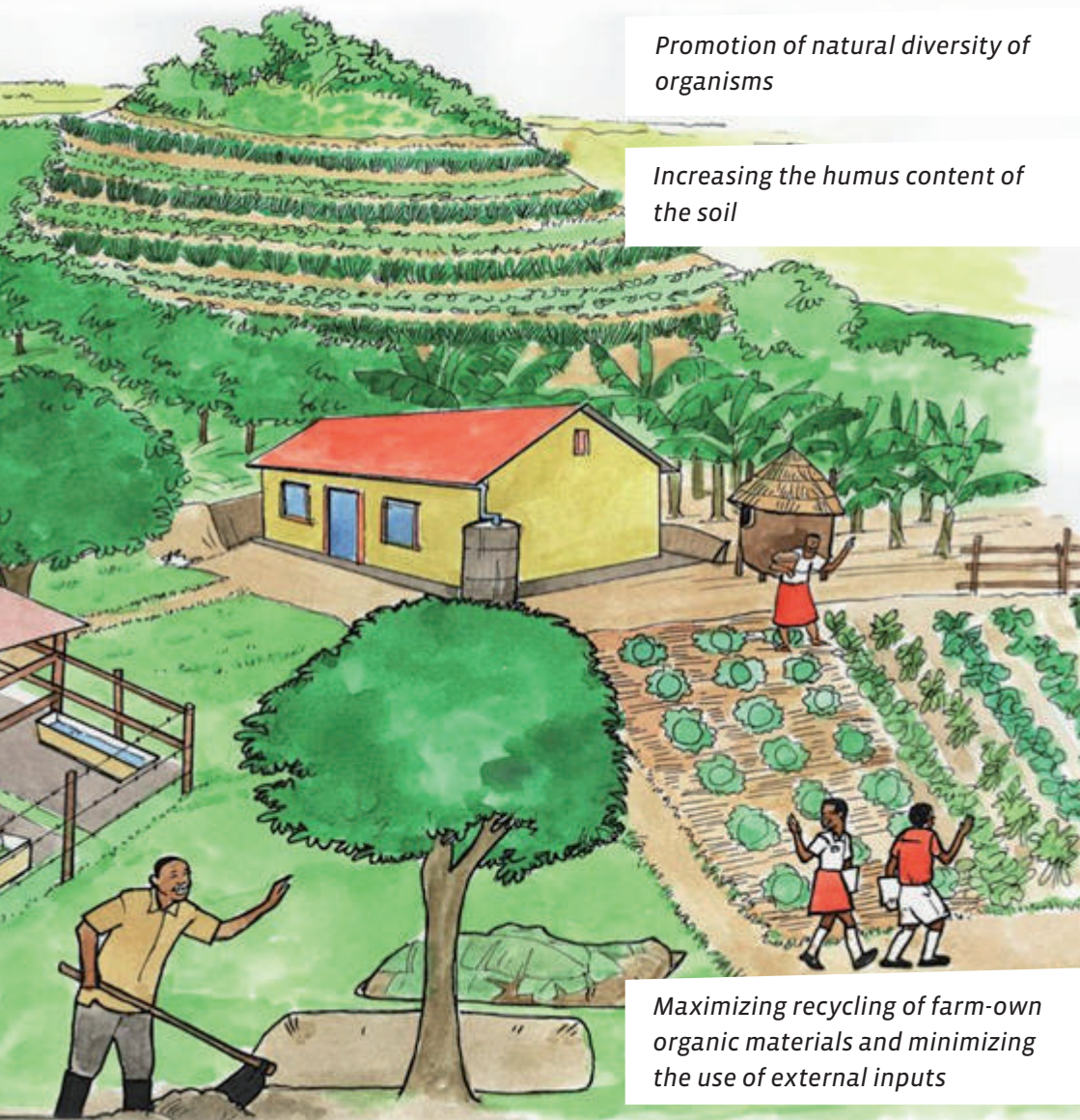
Prevention of pollution of soil, water and air

Use of renewable energy, wherever possible

Ensuring animal husbandry that considers the natural behaviour of the farm animals



nic farm?



Promotion of natural diversity of organisms

Increasing the humus content of the soil

Maximizing recycling of farm-own organic materials and minimizing the use of external inputs



Social goals

Organic farming aims at improving the social benefits to the farmer family and the community.

From an organic perspective, at the household level fair participation in farm activities of all family members and proper sharing of the benefits from the farm activities is essential.

On community level, knowledge and experiences should be shared, and collaboration strengthened in order to contribute to strengthen the community on which each family and farm household depends.

Economic goals

In an economic sense organic farming aims at optimizing financial benefits to ensure short- and long-term food security and development of the farm. An organic farm should not only pay for production costs, but also meet the household needs of the farmer's family.

Organic farmers try to achieve this goal by creating different sources of income and being more self-sufficient in terms of seeds, manures, pesticides, food, feeds, and energy sources and thereby minimizing cash outlay to purchase off-farm items.

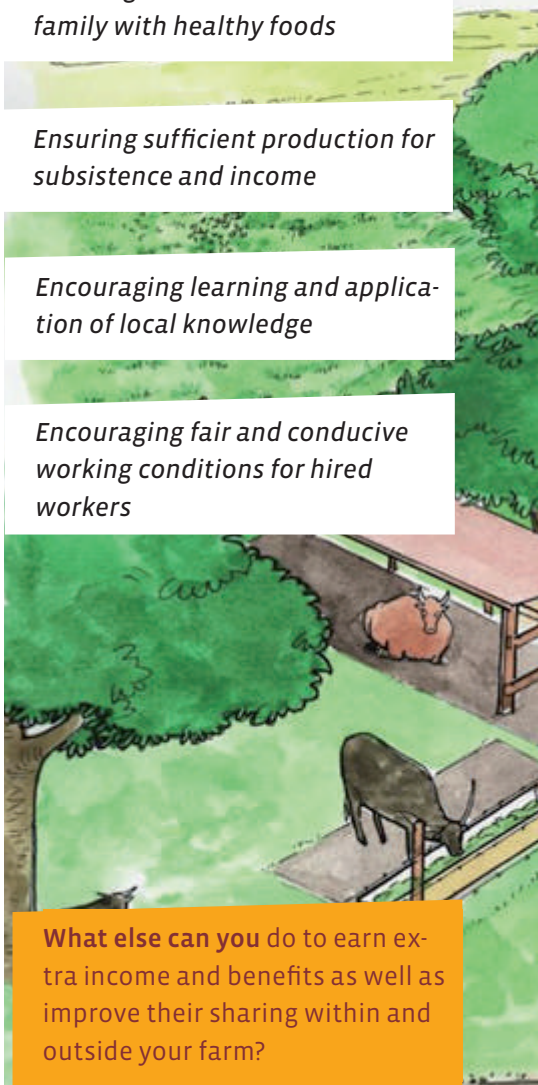
Social goals

Ensuring a safe nutrition of the family with healthy foods

Ensuring sufficient production for subsistence and income

Encouraging learning and application of local knowledge

Encouraging fair and conducive working conditions for hired workers





Economic goals

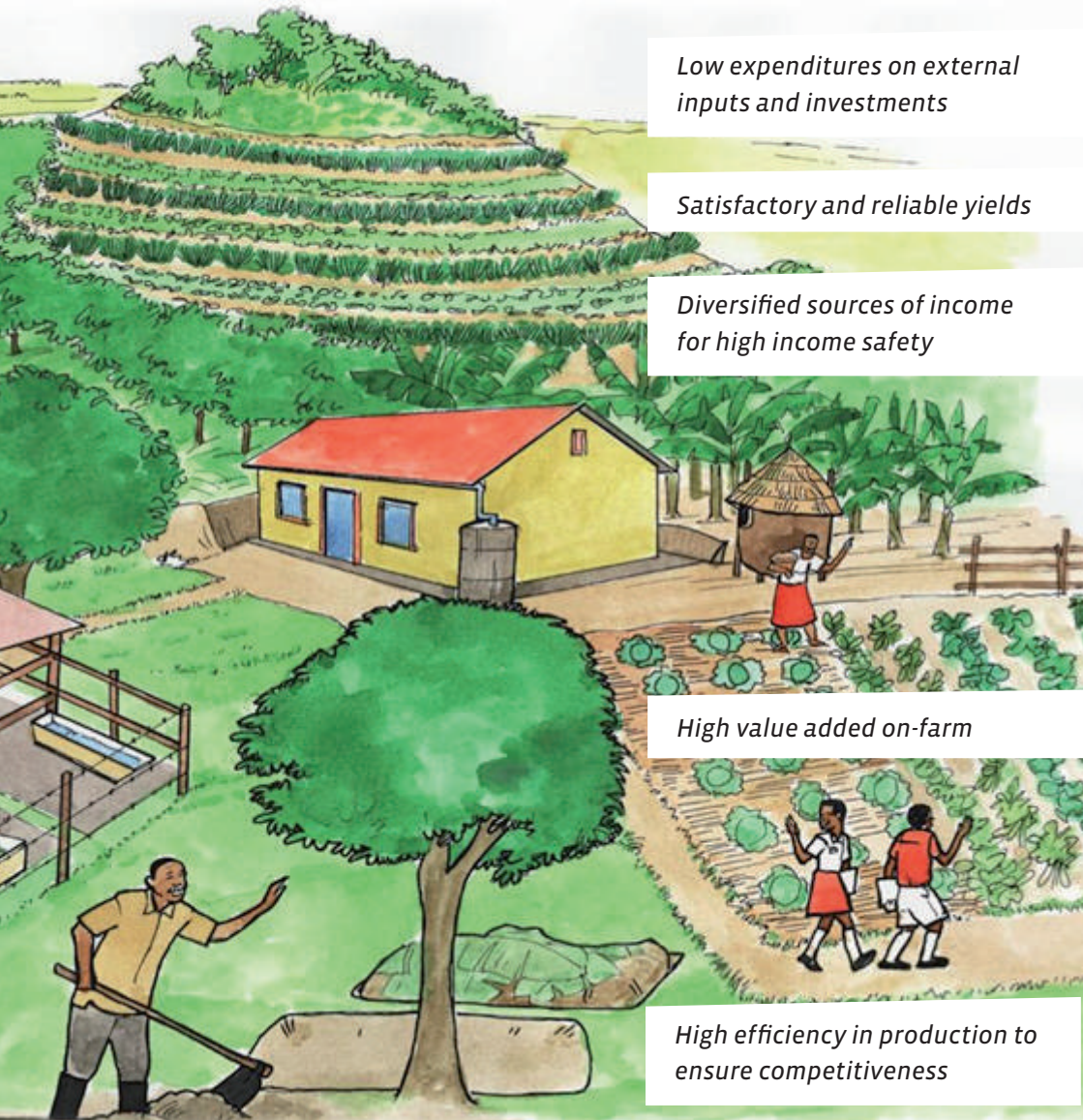
Low expenditures on external inputs and investments

Satisfactory and reliable yields

Diversified sources of income for high income safety

High value added on-farm

High efficiency in production to ensure competitiveness



What is involved in management?

In order to properly manage an organic farm, you need:

- › first, to do a **proper assessment** of the farm's resources and potential, expenses, outputs and the resulting profit.
- › secondly, to **plan, organise and monitor all farm activities** in a continuous and cyclical process.

For proper management,

- › you continuously need new information and knowledge by attending trainings, meetings and discussions with other farmers.
- › you must be proactive to try and test new practices, varieties and breeds in order to continuously improve your farm.
- › you need to keep proper records of all farm activities.

1. Proper assessment of the farm resources

Proper management of a farm as an enterprise involves the following procedure:

1. Carefully analyse the farm's resources and potential through a mapping process, in order to understand its full potential.
2. Evaluate the present farm status compared to your goals, including the farm's profitability, in order to identify any gaps or necessary improvements.
3. Carefully select crop and animal enterprises and practices that are needed to improve short- and long-term productivity of the farm.

Mapping of all farm resources

The process of mapping serves to identify all physical resources available on the farm. For mapping the farm resources draw a clear map of the farm indicating the following features:

- › all the crop fields,
- › the types of crops grown and the size of area covered,
- › the number and types of animals,
- › bushes and forests,
- › access to water,

- > hills and valleys, and
- > roads and buildings.

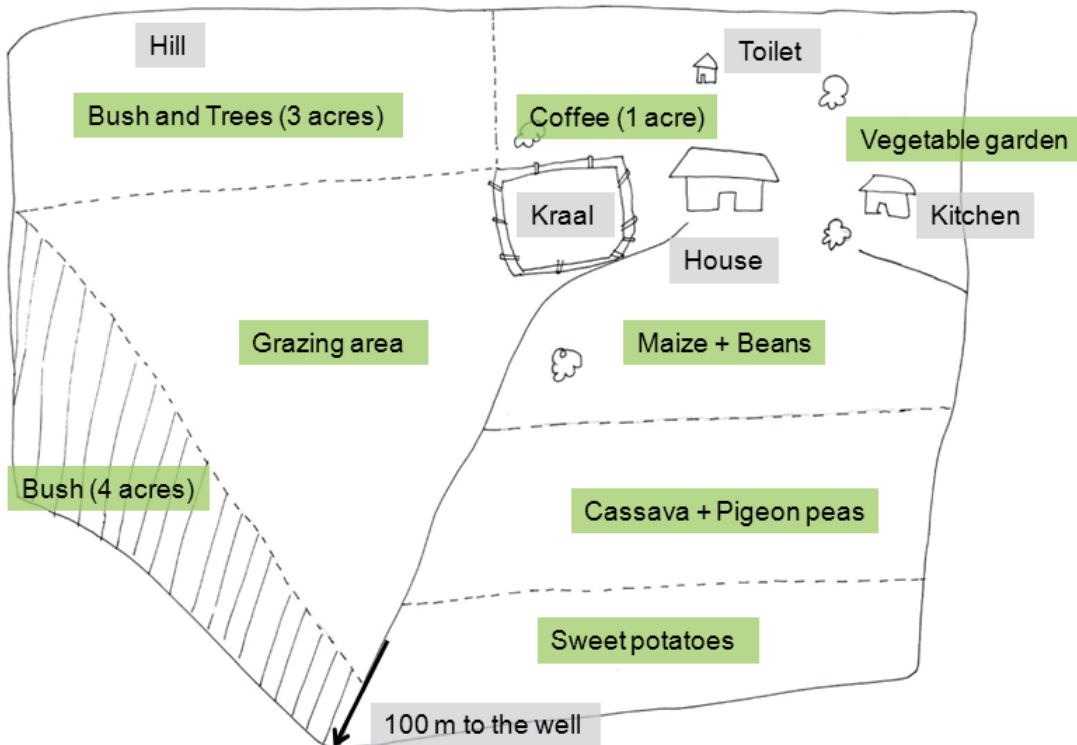
- > all farm outputs from the different farm activities.

Additionally you may also identify and list:

- > the amount of labour available,
- > sources of all other inputs like tools, seeds, and

Have you ever identified and quantified the kind of resources available on your farm?

Farm map indicating the key farm resources





Evaluation of the present farm and defining goals

After identifying all resources available on the farm, its present status can be evaluated in relation to what an ideal organic farm or what the farmer may want to achieve.

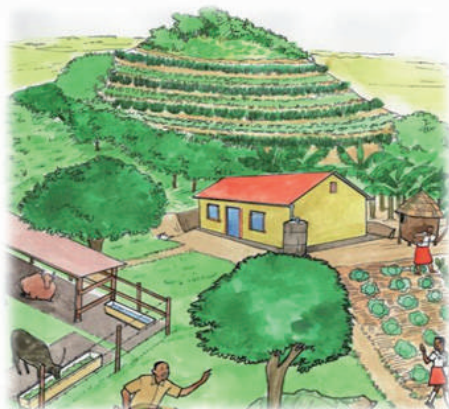
By comparing the characteristics of an ideal organic farm and the current situation of the farm, organic farmers are able to set both short- and long-term goals for their farms.

Examples of long-term goals:

- › Diversifying sources of income
- › Minimising dependency on external inputs
- › Improving level of crop and animal yields
- › Efficient use of resources such as labour and land area
- › Value addition on the farm



This is what the farm is like now.



This is what we want the farm to become!

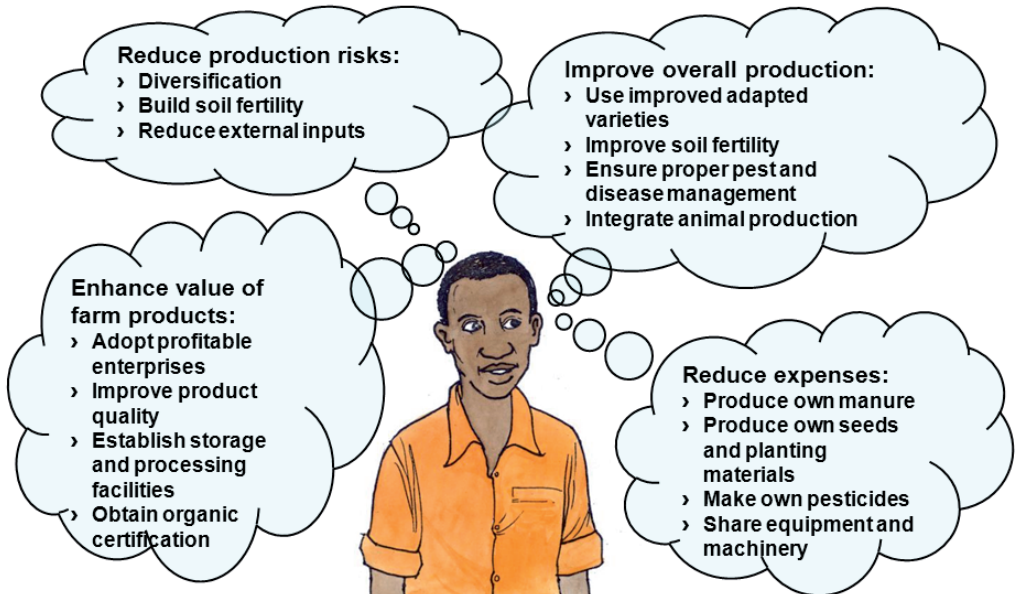


Examples of short-term goals:

- › Introducing new crops to meet crop rotation and intercropping requirements
- › Expanding on the area under production of crops
- › Introducing animals to the farm in order to have an on-farm source of manure
- › Establishing enough on-farm sources of food, feeds, seeds, manure, pesticides or firewood or energy sources so as to minimize off-farm purchases
- › Constructing a farm store in order to add value to farm products so as to increase income and profitability
- › Initiating on-farm or off-farm non-agricultural activities that will increase income.

Have you ever defined short- and long-term goals for improving your farm?

Strategies to improve long-term productivity of the farm



Evaluating the current profitability of the farm

Evaluating profitability involves comparing the amount of money spent on production activities on the farm (expenses) and the money received from the outputs from the farm (incomes). The difference between the expenses and the income indicates, how much money the farm is making (profits).

Organic farming not only improves financial profitability of the farm, but also improves its basic capital – the soils. In addition it offers to the farmer and his family many more benefits such as satisfaction and a healthy living. However, these benefits are difficult to calculate in terms of money. Although they are not included in the calculation of the current profits from the farm activities, they will greatly contribute to the future profitability of the farm.

Main sources of income (money) for the farm include:

- › Selling farm products like crops, animals, animal products, seeds, other planting materials, manure, mulching materials or other farm products

such as timber, firewood, charcoal or bricks

- › Hiring out of labour, tools, machinery or renting of land
- › Charges and donations collected from visitors to the farm

Calculating farm profit

Sources of money:

- › Selling farm products
- › Hiring out of labour, tools, machinery or renting of land
- › Off-farm activities or services

Total = Income



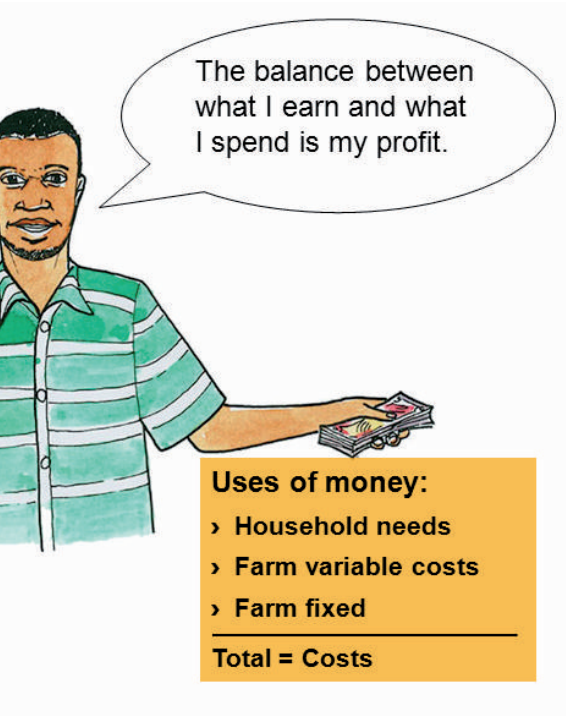
Profit = Income – Costs



- › Off-farm activities or services such as brick making, charcoal making or harvesting of wild products

Main uses of income (money) on the farm include:

- › Household needs – These are costs associated with the well-being of the farmer and his family, e.g. food, water, health, education, accommodation, clothing, entertainment, etc.
- › Farm variable costs – These are costs that the farmer pays for whenever he needs to perform an activity or to increase production. Variable costs include cost of seeds or planting materials or animals to keep, manure, mulching materials, labour (including family labour), fuel, packing materials, annual or seasonal land renting, hiring of equipment, etc.
- › Farm fixed costs – These are costs that the farmer pays for an item once, but which he continues to use for a longer period of time. Farm fixed costs include rent (if land is hired) or purchase of land, farm buildings, machinery, tools, etc.





2. Cyclical planning and monitoring of farm activities

With a proper understanding of the farm resources and the farm potential, you are able to set goals of what you want the farm to become.

These goals will only be achieved through implementation of a given set of activities which should be properly monitored all the way. From the implementation, the farmer will gain experience and knowledge that will help him to set new goals and the process starts again. This is called 'the cyclical planning process'. It is a continuous process performed to ensure that the farm is guided from 'what it is' to 'what the farmer wants it to be'.

The planning process

The aim of planning is to have an organized and consistent way of allocating resources among the different enterprises to achieve the best results and minimize wastage and redundancy.

The result of the planning process is the 'farm plan', which acts as a guide for carrying out the required activities to achieve desired results and effect desired change.

Record keeping

For proper monitoring of the farm plan, record keeping is very important. Specifically, records are needed on:

The cyclical process of management

1. Analysis of the fa



4. Monitoring



Goals

Goal 1

Goal 2

- > Sources of money on the farm
- > Uses of money on the farm
- > Quantities of inputs used on the farm
- > Harvests from the farm

Planning and record keeping never stop! Do you continuously plan what you intend to do on your farm?

1. Farm situation



Farm profit



Activities
✓
✓

2. Setting goals



Design the ideal farm + Farm profit

3. Action plan



Goals	Activities
Goal 1	
Goal 2	

This booklet is an outcome of the African Organic Agriculture Training Manual project and was conceived as a handout for farmers.

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