PART I. Multiple Choice. Indicate the best answer. (3 points each)

1. Which of the following are decision-making steps of management?
   a. evaluate outcome, set goals, define problems
   b. define alternatives, accept responsibility, evaluate outcome
   c. set goals, make decision, evaluate outcome
   d. accept responsibility, make decision, organize data
   e. implementation, set goals, analyze alternatives
   f. All are decision-making steps of management.

2. We talked about some components of farm business management. These could include:
   a. family goals and business goals.
   b. records and/or budgets.
   c. factors of production.
   d. all of the above.
   e. a and b above.

3. At the beginning of the semester we talked about the three C’s. These were:
   a. communication, cash flow, critical analysis.
   b. coordination, consumption, cash flow.
   c. communication, coordination, critical analysis.
   d. communication, consumption, cooperation.
   e. none of the above.

4. We discussed the aspect of establishing S.M.A.R.T. goals. Examples of S.M.A.R.T. goals would include:
   a. selective, time constrained, much improved.
   b. measurable, assisting, routine.
   c. selective, routine, tell people them.
   d. realistic, measurable, specific.
   e. All of the above fit S.M.A.R.T. goals we discussed.
   f. None of the above fit S.M.A.R.T. goals we discussed.

5. An important component of business management is development of a mission statement. A mission statement:
   a. establishes what the business would like to accomplish.
   b. is a short statement of why the business exists.
   c. can only be established after you have established your goals.
   d. can only be established after you have selected enterprises for the farm.
   e. all the above.
   f. a and b above relate to a mission statement.
6. We discussed agriculture production industry sustainability. Three items that are needed for sustainability are:
   a. a number of young land owners, profitability, low cost labor.
   b. low cost labor, environmental responsibility, higher prices.
   c. social responsibility, profitability, environmental responsibility.
   d. low cost labor, a number of young landowners, social responsibility.
   e. all of the above are needed for sustainability.
   f. none of the above.

7. Types of decisions you would make in a farm business setting would include:
   a. what to produce.
   b. how and when to produce.
   c. how and when to market.
   d. how to finance.
   e. types of records to keep.
   f. all of the above.

Part II: Problems.

1. (3 points) There are many challenges ahead of the livestock and crop production industries. What do you feel is the greatest challenge? Indicate what you feel is the greatest challenge and discuss why you feel it is the greatest challenge.