

R E P O R T R E S U M E S

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VT 000 488

ORGANIZATION AND MANAGEMENT OF MACHINERY DEALERSHIPS.
AGRICULTURAL MACHINERY--SERVICE OCCUPATIONS, MODULE NUMBER 1.
OHIO STATE UNIV., COLUMBUS, CENTER FOR VOC. EDUC.
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ONE OF A 16-UNIT SERIES DESIGNED TO HELP TEACHERS PREPARE POSTSECONDARY STUDENTS FOR AGRICULTURAL MACHINERY OCCUPATIONS AS PARTS MEN, MECHANICS, MECHANIC'S HELPERS, AND SERVICE SUPERVISORS, THIS MODULE AIMS TO DEVELOP AN UNDERSTANDING OF THE IMPORTANCE, METHODS, JOBS, AND JOB FUNCTIONS OF RETAIL AGRICULTURAL MACHINERY DEALERSHIPS. IT WAS DESIGNED BY A NATIONAL TASK FORCE ON THE BASIS OF RESEARCH IN STATE STUDIES. SUBJECT-MATTER CONTENT IS PROVIDED FOR THE ROLE OF MACHINERY IN AGRICULTURE, THE DISTRIBUTION OF MACHINERY, AND THE OPERATION OF THE DEALERSHIP. SUGGESTIONS ARE INCLUDED FOR TEACHING-LEARNING ACTIVITIES, INSTRUCTIONAL MATERIALS AND REFERENCES, AND EVALUATION. THE SUGGESTED TIME ALLOTMENT IS 18 HOURS OF CLASS INSTRUCTION. TEACHERS OF THE COURSE SHOULD HAVE EXPERIENCE WITH AGRICULTURAL MACHINERY. POSTSECONDARY STUDENTS ENROLLED IN THE COURSE SHOULD HAVE MECHANICAL APTITUDE AND AN OCCUPATIONAL GOAL IN AGRICULTURAL MACHINERY. THIS DOCUMENT IS ALSO AVAILABLE FOR A LIMITED PERIOD AS PART OF A SET (VT 000 488 THROUGH VT 000 504) FROM THE CENTER FOR VOCATIONAL AND TECHNICAL EDUCATION, THE OHIO STATE UNIVERSITY, 980 KINNEAR ROAD, COLUMBUS, OHIO 43212, FOR \$7.50 PER SET. (JM)

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ORGANIZATION AND MANAGEMENT OF MACHINERY DEALERSHIPS

One of Sixteen Modules in the Course Preparing for Entry in
AGRICULTURAL MACHINERY - SERVICE OCCUPATIONS

Module No. 1

The Center for Research and Leadership Development
in Vocational and Technical Education

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ORGANIZATION AND MANAGEMENT OF AGRICULTURAL
MACHINERY DEALERSHIPS

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ORGANIZATION AND MANAGEMENT OF AGRICULTURAL MACHINERY DEALERSHIPS

Major Teaching Objective

To develop an understanding of the organization and management of agricultural machinery dealerships

Suggested Time Allotments

At school		
Class instruction	<u>18</u>	hours
Laboratory experience	<u>0</u>	hours
Total at school		<u>18</u> hours
Occupational experience		<u>0</u> hours
Total for module		<u>18</u> hours

Suggestions for Introducing the Module

A person planning to work in the service occupations of an agricultural machinery dealership must understand the organization and management of the dealership if he is to be effective as a service employee. He must understand (1) the importance of the local dealership and the agricultural machinery industry to the agricultural industry of the community, nation, and world, (2) the relationship of the local dealership to the farmer and the parent organization, (3) the ways the local dealership carries out its business, (4) the jobs and job functions of employees in the local dealership, and (5) show the relationship of farming to merchandise handled by the dealership. A local agricultural machinery dealer expects his employees to be able to do their jobs with a high degree of speed and efficiency. In order to meet these expectations, the employees must have a thorough knowledge of the complete operation of the business.

The techniques to use in creating interest in the module are:

1. Tour a local agricultural machinery dealership emphasizing the availability of modern equipment and the variety of services provided by the dealer.
2. Thought questions
 - a. What is a retail agricultural machinery dealership?
 - b. What is meant by "dealership"?
 - c. How is an agricultural machinery dealership organized?

- d. What do people do who work in these dealerships?
 - e. How is a local agricultural machinery dealer able to provide these services for the farmer?
3. Point out that approximately fifty per cent of the employment appointments are in the service occupations of the agricultural machinery industry.

Competencies to be Developed

1. To understand the importance of the retail agricultural machinery industry

Teacher Preparation

Subject Matter Content

Agricultural machinery dealers have played a vital role in the social and economic life of those engaged in production agriculture as well as the standard of living of all people.

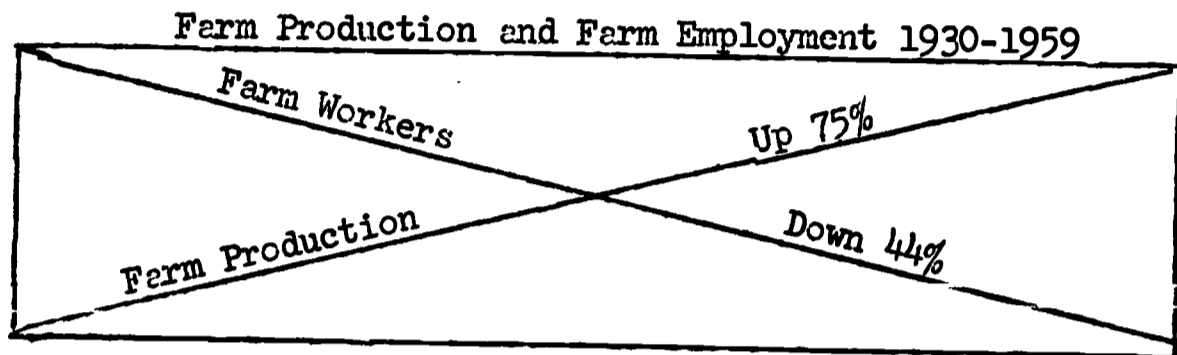
1. They have provided the farmer with efficient and economic production tools.
2. Modern agricultural machinery has lowered the costs of production for the farmer. The following table bears out this fact.

Farm Output and Labor and Machinery Inputs
Index 1947-49 = 100

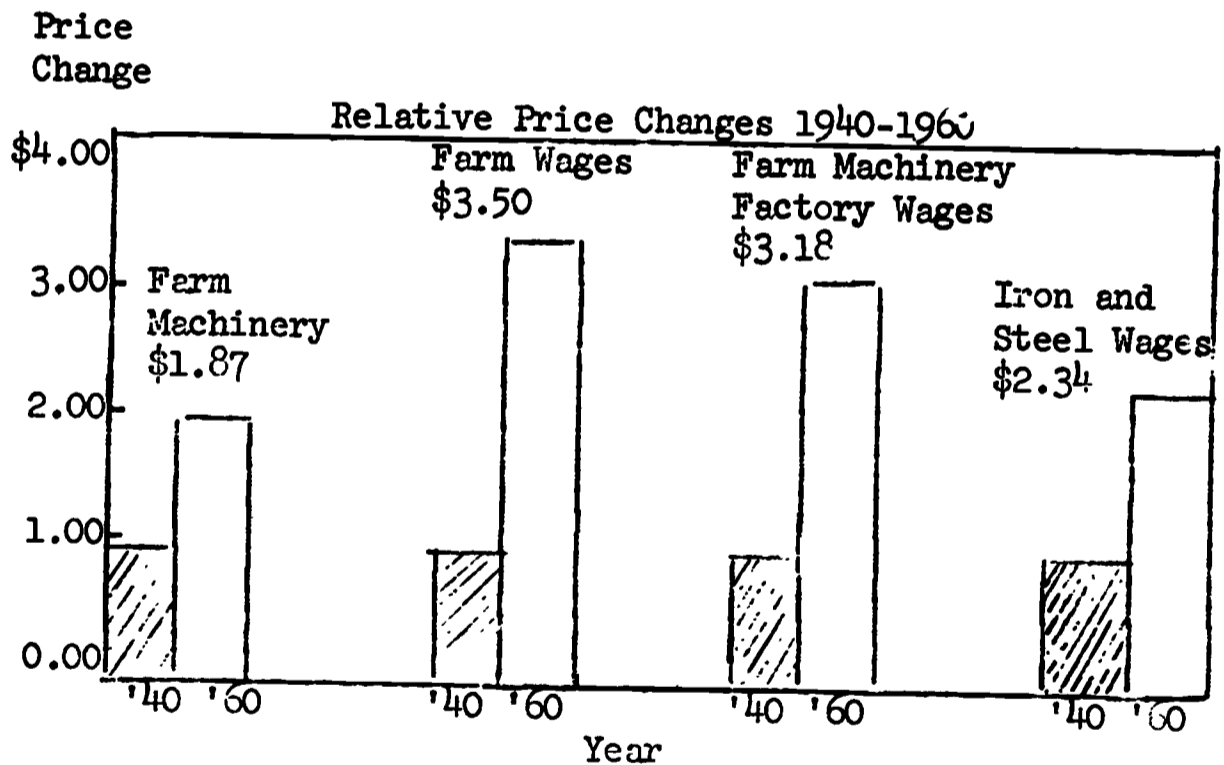
(Indices)					
Year	Farm Output	Farm Labor	Power and Machinery	Labor Plus Machinery	Relation of Combined Labor and Machinery Inputs to Output
1910	61	135	28	163	133
1920	70	143	44	187	133
1930	72	137	55	192	133
1940	82	122	58	180	110
1950	101	90	118	208	103
1955	113	76	136	212	94
1956	114	72	137	209	92
1957	114	68	138	206	93
1958	124	66	137	203	84
1959	126	64	139	203	81

The use of agricultural machinery has promoted an increase in farm production and income in spite of a decrease in the number of persons employed on the farm.

1. While farm workers have decreased in number, farm production has increased.



2. The agricultural machinery industry has managed to keep its price rise on production costs relatively low.



3. Fifty years ago one farmer could produce food and fiber for 6 other persons, whereas today, that same man can produce food and fiber for at least 29 others.
4. Today, 40 per cent of the farms produce 87 per cent of the food and fiber sold from the farms.

The use of modern agricultural machinery has aided in raising the standard of living of the farmers.

1. Today farmers have more time for recreation, more conveniences, better educational advantages and improved facilities.
2. The investment in agricultural machinery is highest on farms in states having the highest standard of living.
3. The development and use of labor saving machines have made it possible for millions of farm workers to enter other industries, the arts, sciences, and professions.

Suggested Teaching-Learning Activities

1. Bring a local farm machinery dealer before the class to discuss his role as an agricultural machinery dealer in the community.
2. Using the latest census, have each student identify the number of farms in the county, state, and nation and the number of tractors and agricultural machines on these farms.

Suggested Instructional Materials and References

Instructional Materials

Overhead transparencies of the table and graphs presented

References

S*Farm and Power Equipment Retailers Handbook, pages 1-7.

*The symbol T (teacher) or S (student) denotes those references designed especially for the teacher or for the student.

II. To understand the methods of distributing agricultural machinery

Teacher Preparation

Subject Matter Content

The distribution of agricultural machinery follows this route: from manufacturer - to dealers - to customers. All orders for machines by the local dealership are placed with the branch house.

The above pattern of distribution accounts for practically the entire output of domestic sales of tractors and other agricultural machinery.

The primary function of the manufacturer is to supply the agricultural machinery needed by the agricultural industry.

1. Manufacturers employ competent product engineers to design the new machines needed by the agricultural industry.
2. Manufacturers supply the branch houses with the parts and some machines to supply their dealers.

In addition to performing these functions, the manufacturer does the following:

1. Keeps in touch with machinery problems and needs of farmers
2. Through research, develops machines and systems to meet the needs of the farmer

The function of the branch house is to move the machinery from the factories to the farms in the most economical manner.

1. The branch house provides storage for the manufacturer.
2. The task of sales and distribution for the manufacturer is undertaken by the branch house.
3. Through this medium, the manufacturer gets national distribution more quickly and more thoroughly.
4. Retail dealers get more prompt and reliable service.

5. As the manufacturer's distributive agent, the branch house keeps the manufacturer advised on market conditions and needs of a particular area.
6. The branch office lowers substantially the manufacturer's handling cost of agricultural machinery and ultimately the farmers' purchasing costs.
7. The branch house buys parts in large quantities, relieving the manufacturers of the details of selling, warehousing, shipping of merchandise to individual dealers, and carrying of dealer accounts.
8. The branch house carries adequate stocks of repair parts at strategic locations, resulting in better service to the dealer, and thus the customer.

The distributor (branch house) builds a good dealer's organization and confines all his efforts to selling through dealers.

1. The distributors organization includes a service department with personnel who thoroughly understand the servicing of each machine handled.
2. A well developed program of selling is maintained by the distributor who aids the dealer in realizing a greater profit through better service to the customer.

The local agricultural machinery dealer is the vital link in this distribution pattern.

1. The dealer is the final link between the manufacturer and the user of the machine.
2. The dealer contributes greatly to the farmer's knowledge of machinery servicing.
3. He demonstrates the efficiency of the company machines to the farmer and explains how the machine can benefit the farmer.
4. He extends credit in many cases to the farmer so the machine can pay for itself in labor saved or money earned.

5. The dealer makes an effort to understand farm machinery problems and the need of the farmer and conveys these needs back to the manufacturer to provide a basis for improvement of farm machines through research.

Suggested Teaching-Learning Activities

1. Have a branch house employee discuss with the class how parts or machines are supplied to the branch house and from the branch house to the dealer.
2. Tour a branch house.

Suggested Instructional Materials and References

Instructional Materials

1. Overhead transparencies and mimeos on the organization of a major line of agricultural machinery
2. Overhead transparencies and mimeos showing the pattern of distribution of agricultural machinery

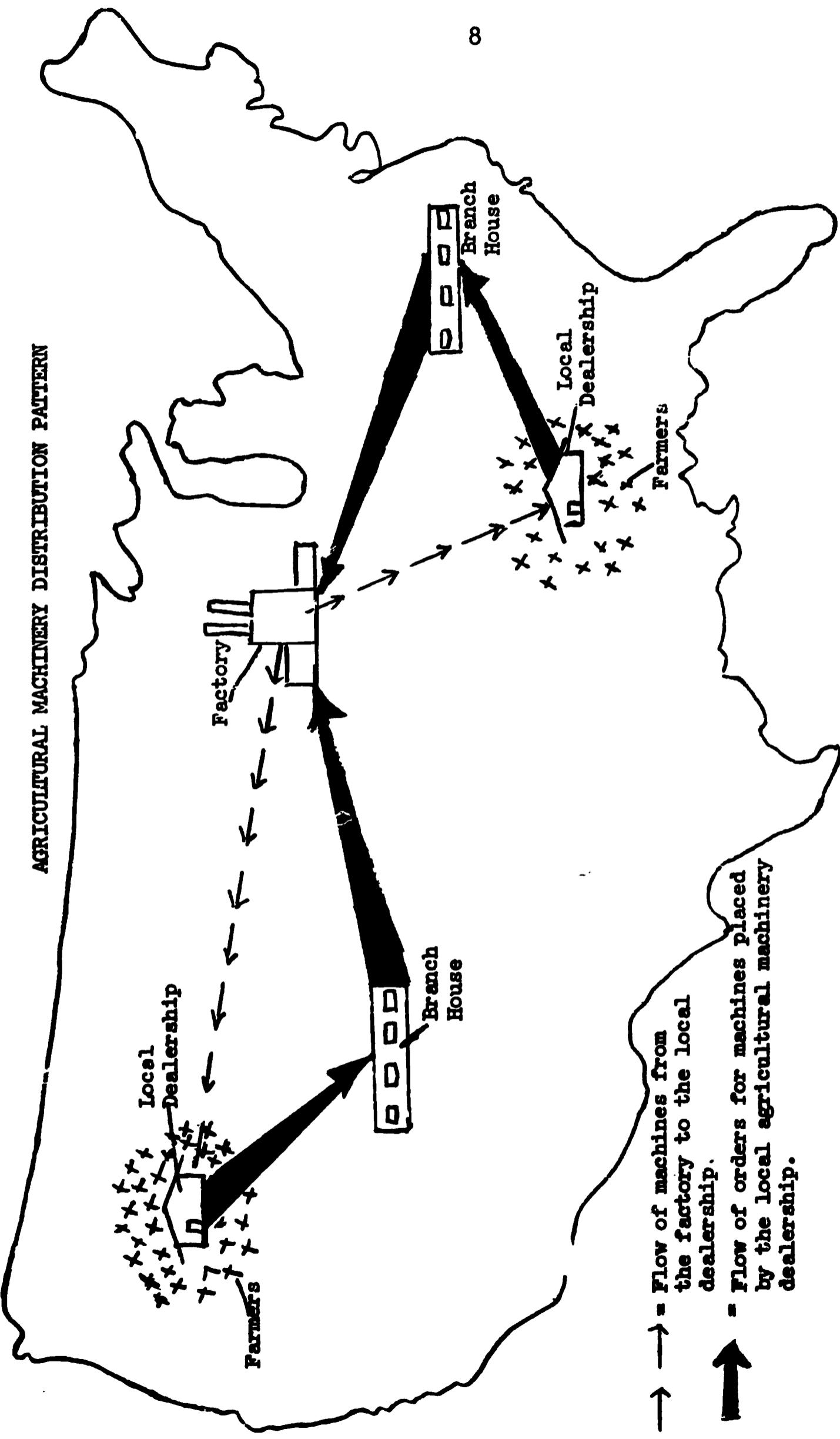
References

- S Farm and Power Equipment Retailers Handbook, pages 7-21.

Suggested Occupational Experiences

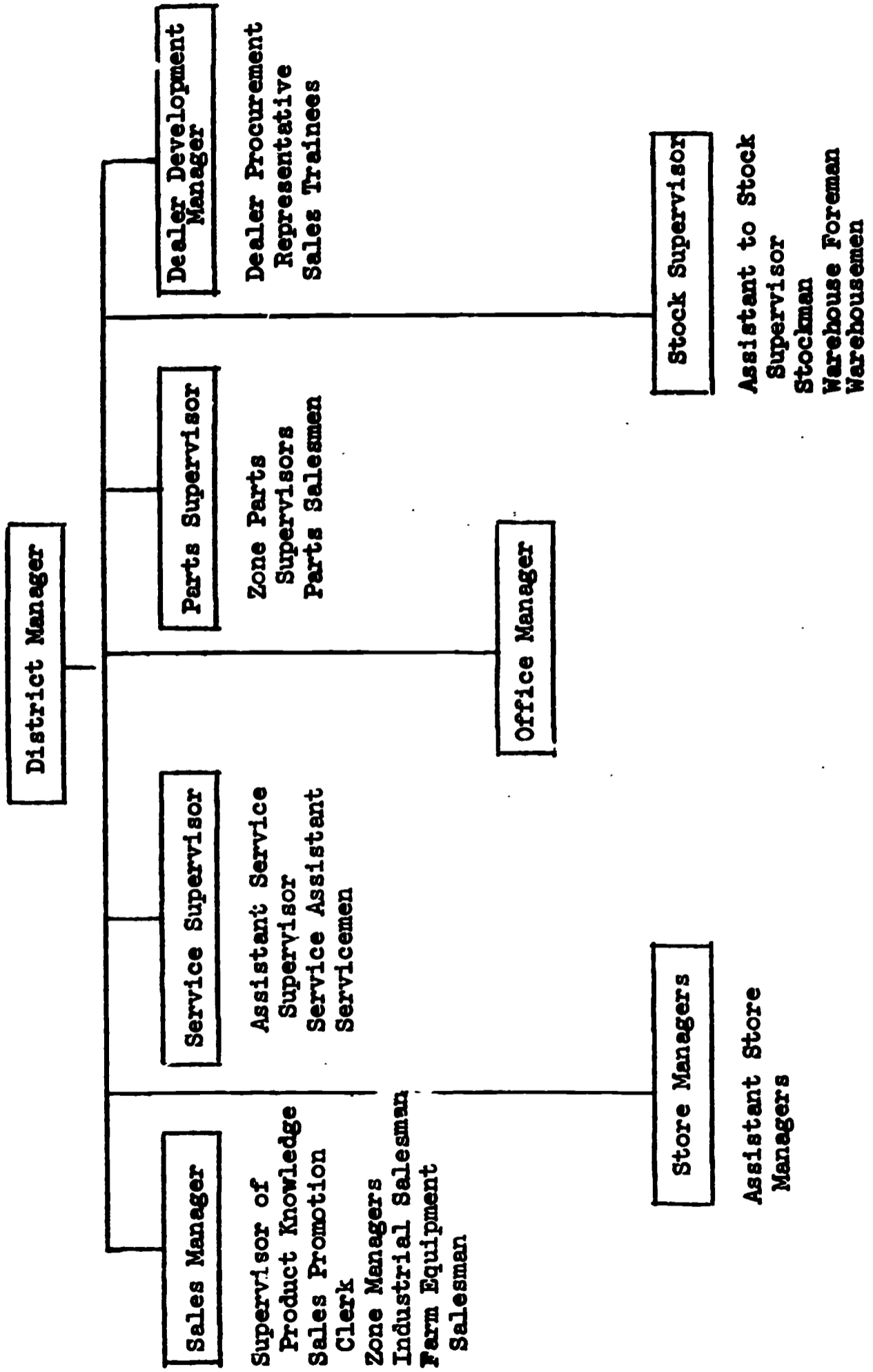
If the class is being conducted in an area close to a branch house, each student should be required to spend a week observing and taking part in the operating of the service and parts department in the branch house.

AGRICULTURAL MACHINERY DISTRIBUTION PATTERN

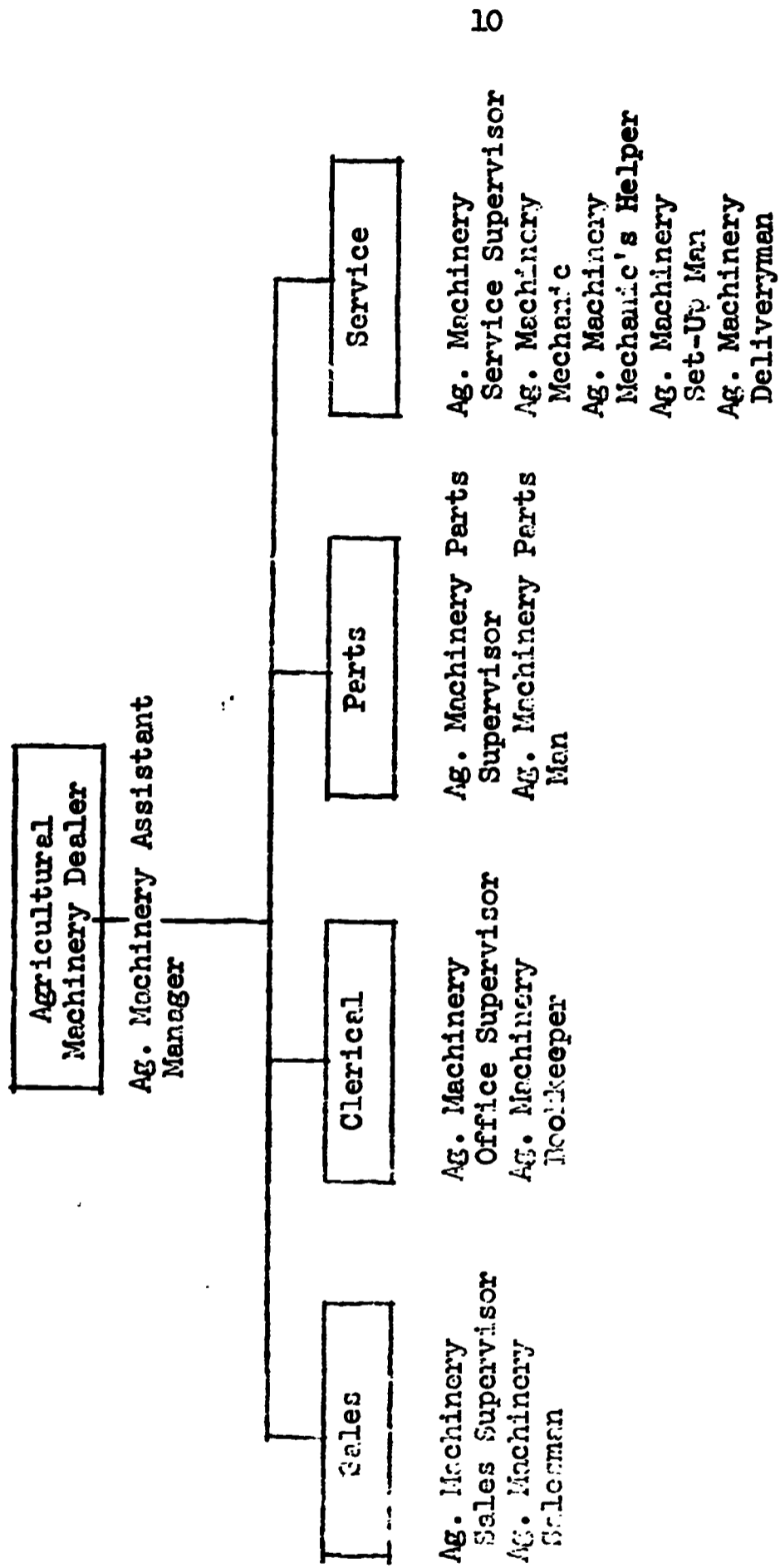


- = Flow of machines from the factory to the local dealership.
- = Flow of orders for machines placed by the local agricultural machinery dealership.

**An Example of the Organizational Structure of a
Major Line Agricultural Machinery Branch House**



**Organizational Structure of a
Local Agricultural Machinery Dealership**



III. To understand the jobs and job functions in the organization of the local agricultural machinery dealership

Teacher Preparation

Subject Matter Content

The operation of the agricultural machinery dealership is divided into five areas.

1. Management
2. Sales
3. Clerical
4. Parts
5. Service

The nature of the work carried out in each area is determined by its function in the operation of the total business.

People in each area are employed with specific responsibilities.

1. Management

Determine company policies
 Exercise financial control over the business
 Select, train and supervise employees
 Forecast and plan future company business
 Direct customer and employee relations
 Promote sales
 Coordinate jobs

2. Sales

- a. Sales Supervisor

Directs sales work
 Directs sales records
 Promotes sales
 Trains sales employees
 Assists in job coordination

- b. Salesman

Finds prospective buyers
 Conducts demonstrations

Appraises used machinery
Closes sales
Makes financial arrangements for customer to purchase machinery
Maintains sales room
Follows up past sales

3. Clerical

a. Office Supervisor

Directs record keeping
Directs office procedures
Directs collections
Directs payments
Checks financial standing of potential customers

b. Bookkeeper

Posts books
Directs depository funds
Writes orders and letters
Prepares payroll
Writes contracts
Assists in closing books

4. Parts

a. Parts Supervisor

Directs ordering and selling of parts
Selects parts employees
Trains parts employees
Maintains inventory control
Maintains catalogues and price lists
Plans merchandising programs

b. Parts Man

Dispenses shop parts
Dispenses customer parts
Maintains parts inventories
Checks inventories
Maintains price catalogue
Constructs displays
Maintains parts identification

5. Service

a. Service Supervisor

- Directs personnel
- Selects and trains personnel
- Maintains service records
- Advises on service problems
- Inspects repair jobs
- Directs machinery storage
- Schedules machinery assembly
- Prepares delivery orders
- Directs delivery

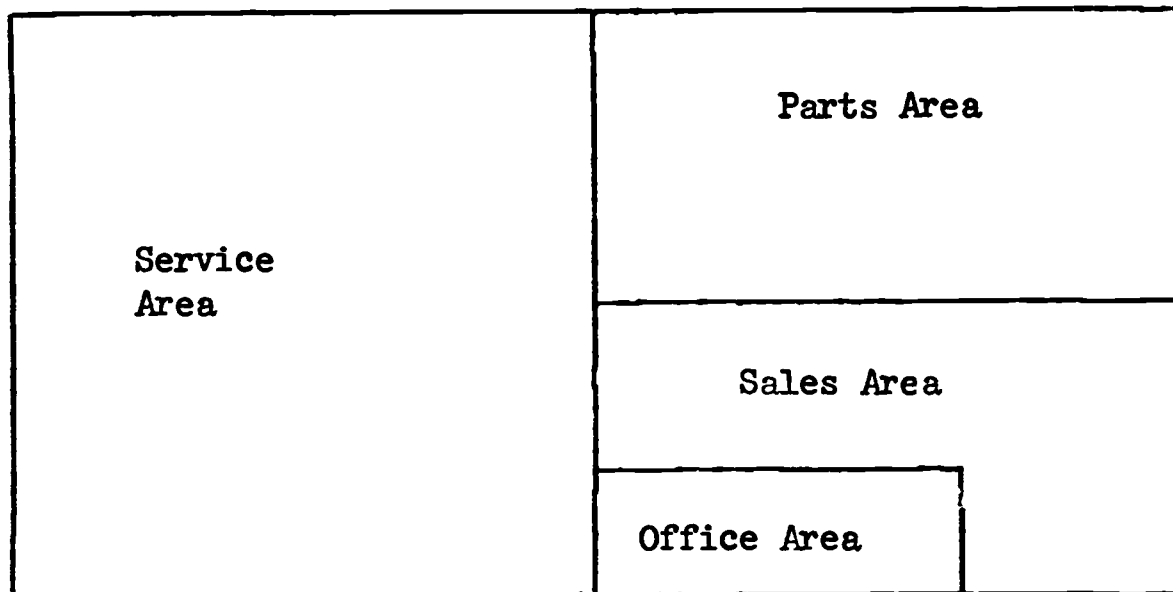
b. Mechanic

- Makes general repairs
- Handles field repairs
- Conducts special operations
- Reconditions trade-ins
- Makes pre-delivery checks
- Maintains demonstration units
- Services rolling stock
- Maintains shop equipment

c. Set-up and Deliveryman

- Picks up and receives new machinery
- Assembles new machinery
- Delivers and starts machinery

These areas have well-defined limits in which to operate in the dealership.



Suggested Teaching-Learning Activities

1. Tour a local agricultural machinery dealership to observe the five areas of operation in the dealership.
2. Have each student visit a local dealership and prepare a detailed floor plan of the facility.
3. Have each student interview a parts man and a service man to understand their jobs. The student should present a written and oral report of his interview.

Suggested Instructional Materials and References

Instructional Materials

1. Mimeo of the activities of each area in the dealership
2. Overhead transparencies of the organization of a local agricultural machinery dealership and the floor plan of the dealership included in this module
3. Floor plans of local agricultural dealerships for use with the class at the time the areas are discussed

References

- S Farm and Power Equipment Retailers Handbook, pages 74-76 and 251-256.

Suggestions for Evaluating Educational Outcomes of the Module

The following criteria should be used to evaluate the educational outcomes of this module:

1. Student interest in the module
2. Extent to which class assignments are carried out
3. The quality of the written and oral reports

Source of Suggested Instructional Materials and References

Wilson, L. W. Farm and Power Equipment Retailers Handbook, 1964.
National Farm and Power Equipment Dealers Association, 2340 Hampton
Avenue, St. Louis, Missouri. Price: \$7.50.

THE CENTER FOR RESEARCH AND LEADERSHIP DEVELOPMENT
 IN VOCATIONAL AND TECHNICAL EDUCATION
 THE OHIO STATE UNIVERSITY
 980 KINNEAR ROAD
 COLUMBUS, OHIO, 43212

INSTRUCTOR NOTE: As soon as you have completed teaching each module, please record your reaction on this form and return to the above address.

1. Instructor's Name _____
2. Name of school _____ State _____
3. Course outline used: _____ Agriculture Supply--Sales and Service Occupations
 _____ Ornamental Horticulture--Service Occupations
 _____ Agricultural Machinery--Service Occupations
4. Name of module evaluated in this report _____
5. To what group (age and/or class description) was this material presented? _____

6. How many students:
 - a) Were enrolled in class (total) _____
 - b) Participated in studying this module _____
 - c) Participated in a related occupational work experience program while you taught this module _____

7. Actual time spent teaching module:	Recommended time if you were to teach the module again:
_____ hours Classroom Instruction	_____ hours
_____ hours Laboratory Experience	_____ hours
_____ hours Occupational Experience (Average time for each student participating)	_____ hours
_____ hours Total time	_____ hours

(RESPOND TO THE FOLLOWING STATEMENTS WITH A CHECK (✓) ALONG THE LINE TO INDICATE YOUR BEST ESTIMATE.)

	<u>VERY APPROPRIATE</u>	<u>NOT APPROPRIATE</u>
8. The suggested time allotments given with this module were:	-----	-----
9. The suggestions for introducing this module were:	-----	-----
10. The suggested competencies to be developed were:	-----	-----
11. For your particular class situation, the level of subject matter content was:	-----	-----
12. The Suggested Teaching-Learning Activities were:	-----	-----
13. The Suggested Instructional Materials and References were:	-----	-----
14. The Suggested Occupational Experiences were:	-----	-----

(OVER)

15. Was the subject matter content sufficiently detailed to enable you to develop the desired degree of competency in the student? Yes _____ No _____
Comments:

16. Was the subject matter content directly related to the type of occupational experience the student received? Yes _____ No _____
Comments:

17. List any subject matter items which should be added or deleted:

18. List any additional instructional materials and references which you used or think appropriate:

19. List any additional Teaching-Learning Activities which you feel were particularly successful:

20. List any additional Occupational Work Experiences you used or feel appropriate:

21. What do you see as the major strength of this module?

22. What do you see as the major weakness of this module?

23. Other comments concerning this module:

(Date)

(Instructor's Signature)

(School Address)