Managerial ability in primary production ... further research and activity on INTUITION.

Dear Tony,

As it is some time since the last email on this important topic I’ve penned a few comments on recent activities. You might like to share this information with colleagues interested in the management of primary resources and farm management.

Previous work on modelling managerial ability showed the dominant importance of experience in successful management. But this sort of begs the question as we all have experience, but by itself it doesn’t help management skill. Thinking more about this suggests looking at what is clearly the dominant decision process used by managers... intuition. Few managers follow the theoretically optimal decision process of comparing all choices in a logical analysis to maximise utility, but use their time honoured intuition to decide on action choices.

To help students learn about intuition and extension methods to improve farmers’ intuition, an educative novel is now available. The idea is that a story about a bunch of farmers will be an easier way to introduce decision concepts to students than standard lectures. Each chapter focuses on at least one decision principle and can form the basis of a lecture. The group of farmers meet regularly as part of a research programme to review each other’s decisions under the eye of an expert. A few dramas are thrown in. You might find the book helpful in teaching. It is called ‘The intuitive farmer ... inspiring management success’ and is published by 5M Publishing. It is an inexpensive paperback available from most online book suppliers including 5M Publishing. There are summaries of the lessons each chapter provides. It is applicable world wide.

Intuition, of course, is not some genetically conferred magical process, but rather a process of using past experiences and knowledge to cognitively create an appropriate decision. Using data from a large number of farmers, modelling has shown that successful intuition comes from factors such as technical and decision theory knowledge, observation and anticipation skills, feedback together with reflection and self critique. A few moments logical thought would suggest these variables. Structural equation modelling using the data from the 800 farmers provided standardized coefficients reflecting the importance ranking of the variables. The coefficients were 0.954 and .394 for technical and decision theory knowledge respectively, .163 for reflection and self critique, .128 for anticipation skill, observation skill had a value of .035, experience per se .019 and, finally, .015 for feedback. These factors are all interrelated so, for example, feedback and observation go with reflection and self critique. This work is currently being written up for publication. Various other studies are also under way covering the human factor’s influence in various spheres such as farm debt and anxiety. Similarly, recent publications look at the influence of aspects of the manager’s characteristics on succession (‘Farm owners’ reluctance to embrace family succession ... ’ (2017) The Journal of Agr. Education and Extension, 23:39-60 ) and governance ( ‘Will future land based food and fibre production be in family or corporate hands? ... ’ (2017), Land Use Policy 63:98-110 ).

Hopefully the formal paper on intuition will be available in the not too distant future. Previous journal articles and books on managerial ability given in previous emails continue to be of use to many.

With very best wishes,

Peter Nuthall,  
Dept of Land Management and Systems, Lincoln University, Canterbury

To Contact Peter Nuthall email him at: Peter.Nuthall@lincoln.ac.nz