

SOUTH DAKOTA BOARD OF REGENTS

Academic and Student Affairs

AGENDA ITEM: 6 – E (3)

DATE: April 3-4, 2024

SUBJECT

New Program Request – USD – BBA in Agribusiness Leadership

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 2.3.2](#) – New Programs, Program Modifications, and Inactivation/Termination

BACKGROUND / DISCUSSION

The University of South Dakota (USD) requests authorization to offer a BBA in Agribusiness Leadership. The proposed BBA would combine business, agribusiness, leadership, and artificial intelligence-informed business analytics classes to produce professionals and entrepreneurs with the knowledge to drive decisions with data, understand the agribusiness environment, and lead organizations in the challenging and dynamic world of agriculture.

IMPACT AND RECOMMENDATION

A summary of the program proposal has been included as Attachment I. Additional information on this proposal is available from the Board office by request.

ATTACHMENTS

Attachment I – New Program Request Summary: USD – BBA in Agribusiness Leadership
Attachment II – Industry Letters of Support

DRAFT MOTION 20240403_6-E(3):

I move to authorize USD to offer a BBA in Agribusiness Leadership, as presented.

**Full Proposal – BBA Agricultural Leadership
University of South Dakota**

BOR Recommendation: The Board of Regents Academic Affairs and the Executive Director support the program request. This program will prepare potential leaders to understand agribusiness and government systems that affect agriculture in South Dakota.

Program Description:

The Bachelor of Business Administration degree in Agribusiness Leadership combines business, agribusiness, leadership, and artificial-intelligence-informed business analytics classes to produce professionals and entrepreneurs with the knowledge to drive decisions with data, understand the agribusiness environment, and lead organizations in the challenging and dynamic world of agriculture.

Strategic Impact –

USD Strategic Impact: USD is the only South Dakota regental university with "professional education in business" specifically articulated as a component of its statutory mission. The Agribusiness Leadership degree will continue USD's long history of providing superb programs that further professional education in business.

The Agribusiness Leadership degree fits into the institutional mission of the University of South Dakota and the Beacom School of Business by providing students with the proficiencies they need to thrive in the rapidly changing world of agribusiness. The degree will also align with the school of business's strategic plan, which stresses innovation, collaboration, and excellence in teaching and research.

Through Coyote Business Consulting (CBC), the Beacom School of Business (BSB) already has a presence in thirty-three of the sixty-six South Dakota counties. CBC has had opportunities to work with the following agribusiness firms: Biggins Cattle Company, Gregory, SD; Dakota Fabrication, Inc, Harrisburg, SD; Freeburg Hay, LLC, Meckling, SD; Good Life Farms, Canton, SD; Infinite Welding & Machine, Volga, SD; North Prairie Butchery, Faulkton, SD; POET, Sioux Falls, SD; Raven Industries, Sioux Falls, SD; Rebel Wrenches LTD, Delmont, SD; Sara Bye Agency, LLC, Vermillion, SD; Sioux Steel & HiQual Livestock Equipment, Lennox, SD; Swine Robotics, Inc, Leola, SD; Sydell, Inc, Burbank, SD; Valley Queen Cheese, Milbank, SD. Each of those CBC clients has offered an opportunity for a faculty mentor and a pair of students to dig into the problems and opportunities faced by that agribusiness. That distributed experience provides Beacom with insight into business needs across the state. Moreover, the BSB is positioned well to offer agriculture-related trust management, accounting, entrepreneurship, finance, human resources, marketing, analytics, management, leadership, and operations coursework to equip graduates to conduct direct work or consulting in those fields.

BOR Strategic Impact: The proposed Agribusiness Leadership (AL) program connects to the BOR strategic plan in several ways.

First, it will be a realization of the Board's mission to enrich the state's economic life and the vision to educate more individuals to enhance state workforce development (p. 2).

Second, it addresses challenges and opportunities identified in the strategic plan. Agribusiness Leadership will attract and retain non-resident students to reduce workforce shortages (p. 2). AL

will be an attractive option for agriculturally oriented students from Iowa and Nebraska; it will mitigate workforce shortages projected to increase as skilled job growth exceeds the growth of available skilled workers, along with reducing the critical "brain drain" from the exit of South Dakota's graduates from the state (p. 2).

Program Summary:

The classification of this program will be 01.0101 [Agricultural Business and Management, General]. This program is proposed to be offered both on-campus and online. This program will fall under USD's Beacom School of Business AACSB accreditation.

Duplication and Competition:

The Integrated Postsecondary Education Data System (IPEDS) for 2022-2023 reporting shows that South Dakota produced a total of 31 bachelors-prepared graduates in related fields.

Regental Universities¹:

| University | Bachelor's Degrees Conferred in Agricultural Business | Total Number of Bachelor's Degrees Conferred At Each Institution |
|---------------------------------|---|--|
| SDSU – BS Agricultural Business | 31 | 1824 |

Private SD Universities²:

| University | Bachelor's Degrees Conferred in Agricultural Business | Total Number of Bachelor's Degrees Conferred At Each Institution |
|------------|---|--|
| None | 0 | -- |

Total Sum of SD Peer Findings:

| University | Bachelor's Degrees Conferred in Agricultural Business | Total Number of Bachelor's Degrees Conferred (All SD Universities) |
|------------|---|--|
| Total | 31 | 1824 |

As reported by IPEDs, there were 31 undergraduate degrees conferred in Agricultural Business in total for all of South Dakota. The opportunities for students with degrees in these fields exceed the current number of degrees awarded.

¹ Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

² Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

Competitor University Peers³:

| University | Bachelor's Degrees Conferred in Agricultural Business | Total Number of Bachelor's Degrees Conferred At Each Institution |
|---------------------------------|---|--|
| Iowa State University | 69 | 6011 |
| University of Nebraska, Lincoln | 53 | 4262 |
| University of Wyoming | 33 | 2126 |

Workforce Outlook/State Need:

There is state-level and national demand for skilled personnel in Agribusiness Leadership.

The Employment Projections in South Dakota by Occupation, 2020 and 2030 for SOC Code 11-9013, SOC Title Farmers, Ranchers, & Other Agricultural Managers show:

2020 Employment of 13,422,

2030 Employment of 12,875,

This indicates a decrease of 547 (-4%) positions. The report lists Annual Job Openings of 1,328 and an Hourly Wage of \$19.92.

Nationally, there are more agribusiness positions available than agribusiness-related programs produce.

- Based on the United States Bureau of Statistics calculations, there are 88,000 positions open per year in SOC Code 11-9013 Farmers, Ranchers, and Other Agricultural Managers.
- Of the openings, 10,652 are in Agribusiness or Agricultural Business Operations.
- There are just 6,540 graduates to fill the Agribusiness or Agricultural Business Operations openings.

Nationally, the mean wage for Management Occupations (11-000) in NAICS 115100 Support for Crop Production is \$105,250. The mean wage for Management Occupations (11-000) in NAICS 115200 Support for Animal Production is \$95,860.

Individuals in agricultural occupations are often self-employed. Many of the skills needed to be successful in self-employment are the same whether the industry is agricultural or not. Students need a background in operations, small business management, entrepreneurial valuation, real estate, and market opportunity analysis. The Beacom School of Business will enhance the abilities and provide the skills needed to succeed in agribusiness.

Student Learning Outcomes:

1. Students shall lead a team and work effectively with others.
2. Students shall manage a project.
3. Students shall think critically to hypothesize, analyze, evaluate, communicate alternatives, and synthesize solutions.
4. Students shall understand the history of leadership and leadership theories.
5. Students shall analyze data and infer statistical conclusions.
6. Students shall communicate effectively using verbal and writing skills.

³ IPEDS, 2022-2023

7. Students shall understand the legal and ethical environment impacting agribusiness and recognize the ethical implications of leadership decisions.
8. Students shall demonstrate an understanding of the impact of globalization on agriculture.
9. Students shall analyze the current events and issues affecting agribusiness, including domestic and international trading blocks, trade agreements and policies, commodity and market volatility, environmental regulations, and the role of agriculture in society.
10. Students shall calculate the costs and revenue generated from transforming agricultural inputs into value-added products and finished goods.
11. Students shall recognize social issues and understand the importance of equal justice under law, the role of civic leadership in the state and nation, and the attributes of virtuous citizenship.

As an undergraduate program, the following High Impact Practices (HIPs) will be incorporated into the program curriculum: collaborative assignments and projects, internships, service learning/community-based learning, and a capstone course.

To design the curriculum for this program, USD consulted with the South Dakota Agricultural and Rural Leadership Foundation (SDARL), the Prairie Family Business Association, and two preeminent agribusiness organizations, POET and the Valley Queen Cheese Factory. In addition, Mike Cuperus provided in-house expertise, and Sara Steever, Chief Technology Officer at Paulsen Agency, provided external expertise, both from their extensive agribusiness marketing industry experience.

The outcomes for graduates of the program will be assessed by employment rates, placement rates, student surveys, and employment surveys.

Projected Enrollment:

| ESTIMATES | FISCAL YEARS* | | | | | |
|--|---------------|----------|-----------|-----------|-----------|-----------|
| | 1st Year | 2nd Year | 3rd Year | 4th Year | 5th Year | 6th Year |
| Students new to the university | -- | 2 | 3 | 5 | 8 | 13 |
| Students from other university programs | 2 | 4 | 6 | 6 | 8 | 7 |
| Students off-campus or distance continuing students | | 2 | 6 | 9 | 11 | 16 |
| Total students in the program (fall) | 2 | 8 | 15 | 20 | 27 | 36 |
| Program credit hours (major Courses)** | 12 | 48 | 90 | 120 | 162 | 216 |
| Graduates | | 2 | 7 | 14 | 18 | 25 |
| <i>*Do not include current fiscal year.</i> | | | | | | |
| <i>**This is the total number of credit hours generated by students in the program in the required or elective program courses. Use the same numbers in Appendix B – Budget.</i> | | | | | | |

USD anticipates that the program will attract new students as well as some who are redirected from existing programs. Estimates are based on Admissions data, specifically inquiries for the pre-business program from prospective students with rural indicators. Additionally, USD surveyed current first- and second-year students enrolled in entry-level business classes. Among those who responded, 17 students (23%) indicated they would “seriously consider the new degree.”

Projected Revenue/Expenses:

| FINANCIAL HEALTH SUMMARY | | | | | | |
|---|-----------------|-----------------|----------------|---------------|---------------|---------------|
| | 1st | 2nd | 3rd | 4th | 5th | 6th |
| | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 |
| TUITION & FEE REVENUES | 3,116 | 31,158 | 79,454 | 101,265 | 130,865 | 163,582 |
| PROGRAM EXPENSES | 46,456 | 84,163 | 84,163 | 84,163 | 84,163 | 84,163 |
| NET (T&F REVENUES LESS PROGRAM EXPENSES) | (43,341) | (53,004) | (4,709) | 17,102 | 46,703 | 79,419 |
| OTHER SUPPORTING REVENUES | - | - | - | - | - | - |
| NET AFTER OTHER SUPPORTING REVENUES | (43,341) | (53,004) | (4,709) | 17,102 | 46,703 | 79,419 |

For this program, USD will need to add an additional faculty member in the second year. Funds for this position would be reallocated from other profits in the Business School. USD estimates that 15-20 full-time students (or equivalent FTE) will be needed to break even.



South Dakota Agricultural & Rural Leadership Foundation

Box 2170
Animal Science Center 132
Brookings, SD 57007
(406) 560-2426
Janelle.Booth@sdstate.edu

711 North Creek Drive
Rapid City, SD 57703
(605) 441-4729
Jennifer.Henrie@sdstate.edu

October 19, 2023

Dr. Thomas Tiaht
POET Professor of Business Analytics
Beacom School of Business, Room 312
The University of South Dakota
Vermillion, SD 57069

Thomas,

This letter is in support of your proposal to establish an agribusiness leadership degree at the University of South Dakota. The South Dakota Agricultural and Rural Leadership Foundation (SDARL) views this proposed major as a critical offering to students in South Dakota and beyond.

There is a clear synergy between the mission and subject matter of your proposed program and SDARL and it would be a natural fit for partnership opportunities. SDARL would be happy to provide support through connections to leaders within the state, particularly for class speakers, tours of ag operations, and mentorship opportunities. Additionally, USD and SDARL could benefit from a combining of resources when setting up class projects, trips, etc.

The main objective of the SDARL leadership program is to produce board-ready leaders for rural and agriculture communities throughout South Dakota. The backbone of SDARL is our flagship 18-month series of 12 seminars. Each class is composed of up to 30 individuals between the ages of 25-55 who are actively involved in farming and ranching, or who work in agribusiness, cooperatives, and rural community leadership. Ten of these seminars are held in various locations across the state to expose participants to the diverse nature of agriculture and rural issues (farming and ranching innovations, community development, rural healthcare, biofuels, cooperative resources, timber, Native American perspectives, etc). One session is a five-day seminar in Washington, DC focusing on agricultural leadership advocacy at the federal level, and a final seminar is an international study course in a country that is critical for the vitality of U.S. and South Dakota agriculture. Expert trainers lead the class to build the skills, knowledge

Engaged Leadership for a Vibrant South Dakota!

Board of Directors: Heather Niederwerder, New Underwood – Chair; Krystil Smit, Huron – Vice-Chair; Terry Jaspers, Sisseton – Treasurer; Jon Nelson, Lake Preston – Secretary; Todd Mortenson, Hayes – Past Chair. Members: Dr. Joseph Cassady, Brookings; Corey Chicoine, Elk Point; Matt Dybedahl, Pierre; Ron Jeffries, Rapid City; Dr. Jonathan Kleinjan, Brookings; John Melius, Brookings; Kevin Moe, Yankton; Hunter Roberts, Pierre; Tiffany Sanderson, Watertown; Craig Schaunaman, Aberdeen; Sara Steever, Sioux Falls; Ross Tschetter, Bridgewater.



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Janelle.Booth@sdstate.edu

711 North Creek Drive
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(605) 441-4729
Jennifer.Henrie@sdstate.edu

base, and character of leaders and each seminar is a synthesis of leadership training, professional development, networking, and education on current issues.

SDARL has graduated nearly 330 individuals since its inception in 2000. Alumni of SDARL include five SD Secretaries of Agriculture, members of the SD State Legislature, the President of the South Dakota Farm Bureau, President and Vice President of the South Dakota Cattlemen's Association, Vice President of the South Dakota Stock Growers, Treasurer of the South Dakota Cattlewomen's Association, Members of the National Federation of State Beef Councils, Chair of the South Dakota Rail Commission, and others. Additionally, SDARL graduates take on equally important leadership roles in their respective rural communities, including service on school boards, county commissions, and local community groups.

We look forward to partnering with you on this exciting endeavor.

Sincerely,

Janelle Booth

Janelle Booth
CEO

Engaged Leadership for a Vibrant South Dakota!

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October 26, 2023

To Whom It May Concern,

As Executive Director of Prairie Family Business Association, this letter will provide insight and data to support the proposed Agribusiness Leadership program at the University of South Dakota. Businesses associated with Prairie Family Business Association would benefit from the education, outreach, and support of the Agribusiness Leadership program.

Prairie Family Business Association is a key outreach center of the University of South Dakota Beacom School of Business serving 265 family businesses across the region. Each year, a survey is sent to the member families. One key question is: which topic would you like more content on in the year ahead? For the past four years, the number one requested topic has been leadership development. The findings of surveys and focus groups of the families within Prairie Family Business Association indicate leadership development is needed at all stages and levels of a family business. This proposed program will educate the next generation of agribusiness leaders.

Prairie Family Business Association's mission is to help family businesses thrive through generations. We do this by providing a resource network for family business success. There are many first- and second-generation family businesses within Prairie Family Business Association. The Association's goal is to support more and more families as they reach the third, fourth, fifth generation, and beyond.

Many agribusinesses in the region are family-owned businesses or have roots in family ownership. This program will support the next generation of leaders who may lead their own family's business or become a non-family key executive within a family business. The proposed Agribusiness Leadership program will expose opportunities for employment in closely held businesses, such as family-owned businesses, as well as larger, publicly traded agribusinesses who serve closely held and family-owned businesses.

My experience with and knowledge of family-owned businesses in the region indicates the need and potential success of the proposed Agribusiness Leadership program at the University of South Dakota.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Larscheid".

Stephanie Larscheid
Executive Director
Prairie Family Business Association
605-274-9530
Stephanie.larscheid@usd.edu

September 29, 2023

To whom it may concern,

This letter is submitted in support of the proposal submitted by the Beacom School of Business at the University of South Dakota for a Bachelor in Business Administration with a major in Agribusiness Leadership. I have owned and operated successful businesses in the agribusiness ecosystem for 40 years, with the most recent 31 years in Yankton and Springfield SD.

South Dakota will be well served by this degree. An understanding of agribusiness economics, finance, marketing, production cycles and value chain will make graduates both employable and valuable to any business that either supplies, ships, produces, purchases, or processes agricultural products and services. An often missing ability in new leaders is vision and experience to spot opportunities for growth in the market segments they compete with. I believe that a BA with a major in Agribusiness Leadership will be instrumental in challenging future leaders to use their vision to help their employer or own business to grow beyond where it would grow without this primer.

I encourage the Board of Regents to support the application for an Agribusiness Leadership major at the University of South Dakota.

Respectfully,

A handwritten signature in black ink that reads "Wm. J. Shorma". The signature is written in a cursive, flowing style.

President of Rush-Co Springfield, SD (since 2009)

Former President of Shur-Co. (1992 – 2010)

Current Representative SD House District 17



HEADQUARTERS
4615 N. Lewis Ave.
Sioux Falls, SD 57104
Ph: (605) 965-2200
poet.com

October 11, 2023

South Dakota Board of Regents
306 E. Capitol Avenue
Suite 200
Pierre, SD 57501

RE: Agribusiness Leadership Major at the University of South Dakota

Dear South Dakota Board of Regents,

As President and Chief Operating Officer of POET, the world's largest producer of biofuels headquartered in the City of Sioux Falls, South Dakota, I strongly support the proposed Bachelor in Business Administration Agribusiness Leadership degree program at the University of South Dakota Beacom School of Business. An Agribusiness major is an exceptional opportunity to cultivate South Dakota's brightest minds, keep our state competitive, and build the next generation of agribusiness leaders we need.

I have worked alongside our state's leading agribusinesses for many years. In that time, we have partnered with universities to develop and fund higher education programs to help South Dakota thrive. Agriculture is the engine of South Dakota's economy, and agribusinesses like POET need knowledgeable, capable, and ethical business professionals to keep that engine running at peak performance.

Unlocking the full potential of agribusiness could fundamentally transform the economy. Our neighbors – Minnesota, Iowa, and Nebraska – recognize this, and they are making substantial investments in their state universities and degree programs to attract the most talented students. For South Dakota to compete, we must summon our best talent and provide them with the highest-quality business education and professional development opportunities we can offer.

I respectfully urge the South Dakota Board of Regents to support the proposed Agribusiness Leadership major at the University of South Dakota Beacom School of Business.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeff Lutt'.

Jeff Lutt
President & Chief Operating Officer
POET LLC



October 19, 2023

To whom it may concern,

This letter is submitted in support of the proposal submitted by the Beacom School of Business at the University of South Dakota for a Bachelor in Business Administration with a major in Agribusiness Leadership.

Valley Queen is a 94-year-old family and employee-owned cheese and dairy product manufacturer located in Milbank, SD. We are currently undertaking a \$225 million expansion to modernize and increase the economic impact our dairy plant will have in northeast South Dakota. When construction concludes at the end of 2024, we will employ 450+ employees. The need for high quality, competent, and capable next generation agribusiness leaders is of great importance and in great need in the dairy industry, especially in South Dakota.

South Dakota will be well served by the proposed new degree in Agribusiness Leadership at USD. An understanding of agribusiness economics, finance, marketing, production cycles and value chain will make graduates both employable and valuable to any business that either supplies, ships, produces, purchases, or processes agricultural products and services.

I encourage the Board of Regents to support the application for an Agribusiness Leadership major at the University of South Dakota.

Please feel free to contact me with any questions you may have regarding this request: bsandvig@vqcheese.com or 605-530-2310

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Sandvig', is written over a horizontal line. The signature is fluid and cursive.

Brian Sandvig
CFO



3501 N. Aviation Avenue
Sioux Falls, South Dakota 57104 USA
www.SouthDakotaTrade.com

21 March 2024

South Dakota Board of Regents
206 E. Capital Avenue
Suite 200
Pierre, SD 57501

Dear Regents,

Over the past 12 months, South Dakota Trade has embarked upon a new and impactful partnership with the University of South Dakota to train, up-skill, and develop current and future trade practitioners in South Dakota. The first year of our partnership has been incredibly successful in meeting the demand of businesses across the state, where we have conducted seminars, summits, and targeted curriculum on both sides of the river.

Our state exports \$5 billion worth of agricultural goods each year – far more than any other industry. The family farms, ranchers, and other producers deserve much of the credit for this boon to South Dakota’s economy. But equally important, are the supply chain managers, the grain elevator operators, the accountants, and the customs brokers who facilitate the sales, logistics, and financing of these products.

As South Dakota continues to invest in international trade, we encourage you to support the development of an Agribusiness Leadership program at the University of South Dakota. We believe this type of program will increase our state’s competitiveness in the global economy and pay dividends for generations to come. And South Dakota Trade looks forward to working alongside the university team to ensure its success.

Very Sincerely Yours,

A handwritten signature in black ink, appearing to read "L. J. Lindberg".

Luke J. Lindberg
President & CEO
South Dakota Trade