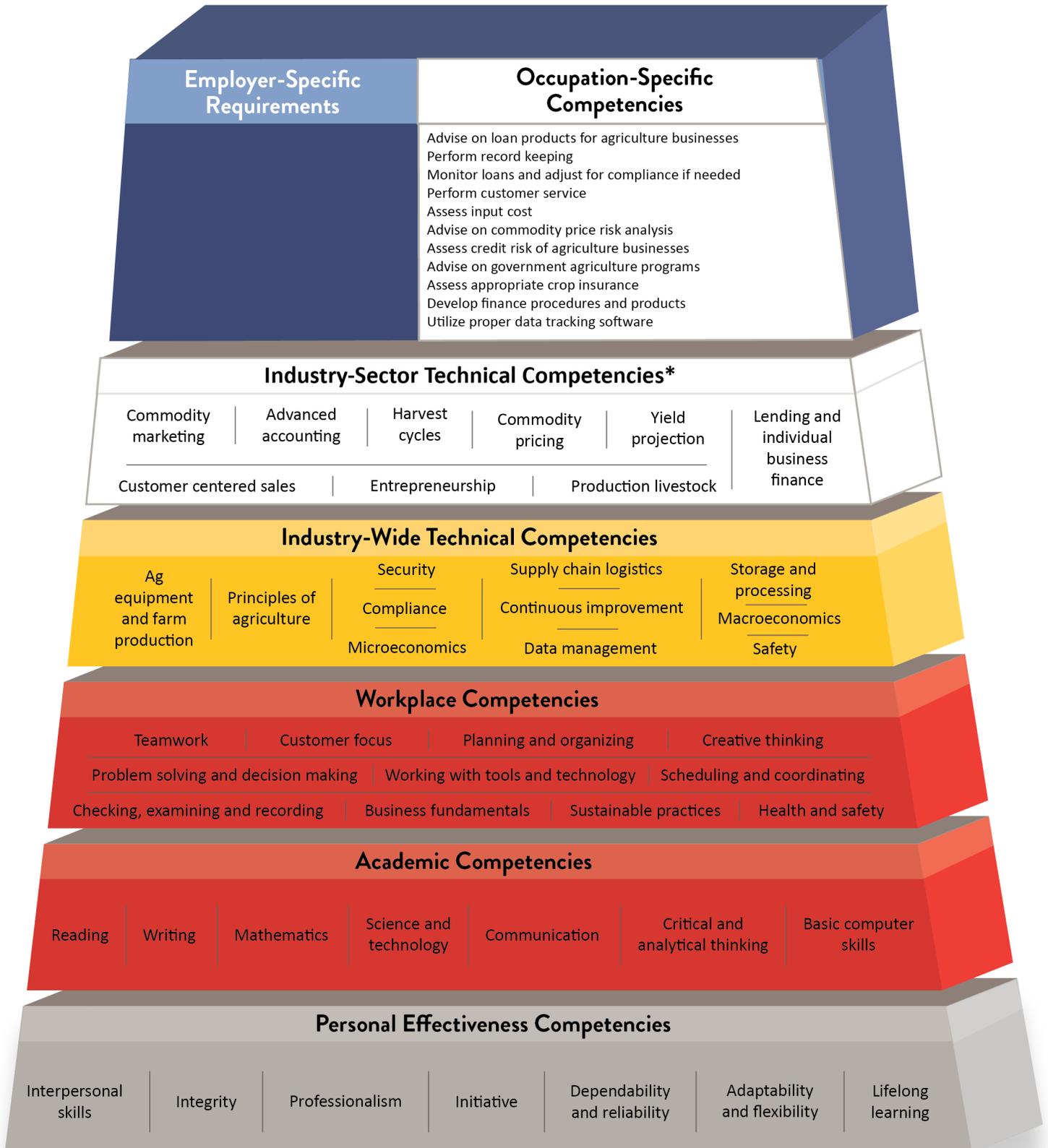


Minnesota Dual-Training Pipeline Competency Model for Agriculture Occupation: Agriculture Finance/Lender



Based on: Building Blocks for Competency Models – Foundational Competencies, Employment and Training Administration, United States Department of Labor, February 2025. For more detailed information about competency model creation and sources, visit dli.mn.gov/business/workforce/agriculture.



Competency Model for Agriculture Finance/Lender

Agriculture finance/lender – An agriculture finance/lender is a professional trained in agribusiness and banking who works with agriculture companies and farmers to ensure their financial needs are met while also generating revenue for their company. Agriculture finance/lenders are generally responsible for selling and underwriting agricultural and business loans and administering them according to established bank policies and procedures. These professionals often provide financial and business planning services that may include investment planning, referrals and resources on various crop insurance and general business insurance services and products.

*Pipeline recommends the Industry-Sector Technical Competencies as formal training opportunities (provided through related instruction) and the Occupation-Specific Competencies as on-the-job (OJT) training opportunities.

Industry-Sector Technical Competencies

Related Instruction for dual training means the organized and systematic form of education resulting in the enhancement of skills and competencies related to the dual trainee's current or intended occupation.

- **Commodity marketing** – Understand the basic methods agriculture companies and farmers use to market their goods in order to assess risk as ag finance/lender. Also, know how to market oneself and your company's agriculture banking products to potential customers.
- **Advanced accounting** – Understand the principles of debt, credit, accounts, assets, liabilities, equity, revenue, and expenses; the ability to balance and enumerate all financial information considering these factors.
- **Harvest cycles** – Know the general farm practices of when crops are planted, harvested, and then ultimately sold to market for an agriculture business' profit or loss.
- **Commodity pricing** – Know how much the commodity that is being planted and/or the animals being sold will anticipate selling for at the end of the harvest cycle.
- **Yield projection** – Understand how to plan for how much yield a crop will net at the end of the harvest cycle.

- **Customer centered sales** – Understand how to assess the business needs of the customer and offer agriculture finance services and products to new and existing customers which ensure the client gets what is the best fit for their business needs.
- **Entrepreneurship** – Know the general concepts of what is required to start a new business so that as an agricultural finance / lender professional you can better relate to and understand your client.
- **Production livestock** – Understand the general lifecycle and costs associated with feed, grazing, veterinary expenses, etc. for raising livestock for agricultural production and sales.
- **Lending and individual business finance** – Understand general principles of lending and business finance and the regulatory rules and laws surrounding both.

Occupation-Specific Competencies

On-the-Job Training is hands-on instruction completed at work to learn the core competencies necessary to succeed in an occupation. Common types of OJT include job shadowing, mentorship, cohort-based training, assignment-based project evaluation and discussion-based training.

- **Advise on loan products for agriculture businesses** – Understand differences between different loan product options and how to help customer choose option that best fits their agriculture business needs.
- **Perform record keeping** – Know how to create, organize, and maintain records of sales and any changes to agriculture financial products sold to customers.
- **Monitor loans and adjust for compliance if needed** – Understand how to oversee that loans are being paid on time and correctly and if they are not, be able to work with the customer to take steps to meet customers' financial obligations and either satisfy terms of current loan or make alterations to guarantee payment and compliance.
- **Perform customer service** – Understand how to engage appropriately and responsively with customers so that their needs are met and that your goals and targets are achieved as well.
- **Assess input cost** – Know the general cost of farm inputs such as seed, feed, fertilizer, irrigation needs, etc. and consider how to factor those inputs when assessing financial need or risk.
- **Advise on commodity price risk analysis** – Know how to project risk for the borrower when it comes to the price they should get for the sale of their commodity and help them anticipate and plan for how that risk may impact their overall obligation for paying their loans and/or other financial products.

- **Assess credit risk of agriculture businesses** – Know how to analyze a prospective agriculture business borrower’s credit and determine how much risk should be taken on the part of the lender when selling lending products.
- **Advise on government agriculture programs** – Know the various federal farm programs, subsidies and their rates and consider how these programs may be utilized to benefit the client.
- **Assess appropriate crop insurance** – Understand the basic principles of crop insurance and specifically how much and what kinds of crop insurance the client has in order to assess any risk for the lender and borrower.
- **Develop finance procedures and products** – Understand how to assist in creating a system of procedures when offering financial products, as well as know how to assist in creating new financial products or services to offer existing and new clients.
- **Utilize proper data tracking software** – Know how to use spreadsheet enabling software, such as Excel, QuickBooks, Oracle, etc. to create budget projections as well as keep track of financial data for the customer and your company.

Updated December 2025