

Producers reap benefits from farm financial management course

Situation:

Producers typically have strong production and technology skills but fewer skills relevant to business assessment. Discussions with the local Farm Service Agency loan officer exposed a need for farm financial courses. Young producers in Park County expressed an interest in farm financial management training.

Two University of Wyoming Cooperative Extension Service specialists and the Northwest Area extension educator were awarded a grant from the Western Center for Risk Management Education to conduct a nine-session financial management class. Topics were taught by a variety of instructors, including UW extension educators, specialists, and community professionals.



Eleven producers enrolled representing eight farming operations. Participation in the Challenge Group involved nine all-day sessions. Each session began with classroom presentations followed by farm tours hosted by group participants. The wide-ranging content introduced participants to and helped them apply risk principles, interpersonal communication skills, financial assessment tools, management development and succession strategies, labor management tools, and business planning tools. Further, participants and the extension specialist in agricultural entrepreneurship had confidential conversations regarding participants' farm financial records.

Impacts:

At the end of the course, participants reported how much they had learned on class topics (on a scale of 1 to 6, with 1 being very little and 6 being a lot). Ratings ranged from 4.3 to 5.6.

Participants were asked, "As a result of this class, what actions do you plan to take in the future to improve your personal finances?" A sample of responses:

- "I plan on looking at risks more and deciding if they are worth the reward."
- "Keep budgets."

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- “More in-depth analysis of various enterprises.”
- “Plot a more solid business plan on paper so it can be acted on easily. More organized and be up-to-date.”
- “Use the recordkeeping and time management skills learned and incorporate those in my plan.”
- “This class showed me how to get started and how to read and interpret the bottom lines – Big Help.”

An evaluation was mailed to assess the impact six months after the class. Two response forms, representing three producers, were returned.

All three have taken action to improve personal finances. Specific business planning concepts implemented from the class were measuring herd performance, initiating marketing strategies, breaking down goals into smaller pieces, and planning better for the future of their operations. Respondents said they made progress in meeting some of the goals written into their business plans. One had begun accurately measuring herd performance and made positive growth in marketability, while two others had improved their barley yield and are able to pay off an operating loan earlier than in the past. Two have crop insurance and have now set aside money for an emergency fund.

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Sandra Frost
University Extension Educator
Northwest Area/Big Horn, Fremont, Hot Springs, Park,
and Washakie counties, and Wind River Reservation
(307) 754-8836
e-mail: Sfrost1@uwyo.edu