

Use the following questions to guide your portfolio analysis and enterprise strategy development process.

Choosing your primary enterprise(s) and creating the strategy

- How will the primary enterprise(s) support your farm business strategy?
- What opportunity does the outside environment (e.g. market, industry) provide for this enterprise(s)? How about threats?
- How does this enterprise use the resources and skills of the business?
- What strengths do you and the business provide for the success of this enterprise(s)? How about weaknesses?
- Are the managers committed to this enterprise(s)?
- What is the enterprise strategy(s) for your primary enterprise(s)?

Choosing your secondary enterprise(s) and creating its strategy

- How will the secondary enterprise(s) support your primary enterprise(s) and the farm business strategy?
- What opportunity does the outside environment (e.g. market, industry) hold for this enterprise(s)? How about threats?
- What strengths do you and the business provide for the success of this enterprise(s)? How about weaknesses?
- Will the secondary enterprise(s) complement the primary enterprise(s)? Will resources and/or skills be shared?
- Will the secondary enterprise(s) compete with the primary enterprise(s)?
- What is the enterprise strategy(s) for your primary enterprise(s)?

An important tool to use in enterprise selection and strategy development is the enterprise budget. Enterprise budgets involve projecting the expected costs, returns, resource requirements, labor needs and skill requirements of the enterprise. Enterprise budgets also help assess complementary and competitive relationships among enterprises and how the enterprises fit into the overall farm business.