

IOWA STATE UNIVERSITY

Extension and Outreach

Success Story

Title

2018 Risk Management Education Partnership Program Improving Risk Management On Family Farms Through

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Author's Location

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CoReporter(s) - ISUEO Staff

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Relevance

2018 Risk Management Education Partnership Program

Improving Risk Management on Family Farms Through Women in Iowa

The project team's goal is to educate and support women in making key risk management decisions. Our objectives are to improve use of crop insurance and encourage use of other strategies to reduce risks on family farms. Our approach/tasks are to: 1) foster teamwork and involve stakeholders; 2) conduct promotional activities using social media, print, radio and exhibits to inform 12,200 people; 3) develop ten new lessons using videos, fact sheets, activities and slides on: agricultural trade, analyzing finances, cattle strategies, crop prices and margins, crop insurance 101, farmland return on investment, forage and pasture strategies, managing family finances, succession and legal risks, and women's leadership roles; 4) deliver risk management training for 1,000 women through 10 Annie's Project courses and 6 other multisession courses, plus 16 workshops and 16 webinars, and 5) evaluate and report program impacts through surveys, 10 success stories and 4 focus groups. The team will target women in counties not served in the past three years. A successful project will result in empowered Iowa farm women who can implement risk management strategies leading to improved family farm profitability and a more sustainable agricultural system.

"An estimated 10% of farm families prepare a formal budget and evaluate family living expenses."(Dr. David Kohl, Feb. 2020) Farm managers and educators report a need for improved understanding and a tool specific to this topic.

Response

Central, Southern and Western Iowa County Extension staff recruited audiences for “**Annie’s Project**” “Farm Family Living-Benchmarking” workshops that goes beyond covering basic financial management of budgets, tracking expenses, and review of consumer resources. The pilot session was designed to better address risk management areas identified:

- **Financial Knowledge** learning “How my/our family expenses compare to state and/or national benchmarks.”
- **Financial Action** to “Create a family living budget’ and
- **Human Resource Action** on “How to use my knowledge to communicate with family members/partners.”

The learning and resources were tailored and tested for improved participant understanding of Family Living Costs as a Part of Farm Financial Analysis.

Seventy-one (71) participated in the January-March, 2020 six pilot seminars “**Farm Family Living: Benchmarking**” led by Human Sciences Specialists in Family Finance, Carol Ehlers. Diverse delivery of the pilot session included three traditional Annie’s Sessions (Dickinson/Webster/Montgomery) one stand-alone pilot opportunity (Jefferson) and two partner sessions (Women Land and Legacy-Pocahontas/Women In Ag Conf.-Buena Vista). (The Montgomery County session was taught by specialist, Sandra McKinnon.) The five face-to-face and one online webinar one-hour session used content and resources in support of The Annie’s Project ‘Managing Financial Risk.’ The pilot session was marketed and planned for three Western Iowa Counties (Calhoun, Cherokee and Guthrie Counties) with no participants registering for a stand-alone workshop opportunity.

Response: In collaboration with campus through this grant we made 4 studio and 1 Zoom recordings focusing on budget tools and content addressing farm management data/trends for farm family living expenses and off-farm income (budget basics, tracking spending, personal finance benchmarks, farm family benchmarks) –

1. PowerPay- ISU Studio
2. Budgeting Farm Family Living Basics- ISU Studio
3. Budgeting Farm Family Living Measure- ISU Studio
4. Budgeting Farm Family Living Manage- ISU Studio
5. Budgeting Farm Family Living Benchmarking- Zoom- March 16, 2020

6. Response:

Collaborate with ISU FMS, Ann Johanns- farm wife, mom and strategist. Johanns contributed 12 hours in Spreadsheet development. Found Here: <https://www.extension.iastate.edu/agdm/wholefarm/xls/c3-51familylivingbenchmark.xlsx> Johanns and Ehlers collaborated with Dr. David Kohl, considered marketplace farm management reviews and farm association family living expenses trends to create and provide a comprehensive tool for farm family monthly budgets. This tool is unique for agriculture families as it provides an Excel spreadsheet to benchmark own records, Iowa data, recommended financial percentages, bureau of labor statistics, peers, etc.

Type of Change(s)(s)

- Learning Changes
- Behavior Changes
- Condition Changes

Impact Statement

Provide workshops, tools and resources to educate and support Iowa farm women in making key risk management decisions that lead to increased profitability of their family farm businesses and a more sustainable agricultural system.

Outcomes

Direct Delivery: Pilot Session Evaluation Results

Participants N=56 prioritized **Personal Finance Actions in next two months** as a result of the workshop reporting that:

62% (35) Establish a Monthly Family Living Spending Plan for 2020

64% (36) Try out the PowerPay.org Spending Plan to evaluate the budget against % of income

63% (30) Talk over our Family Living financial picture

18% (17) Choose an expense category(ies) to benchmark:

1. Food/Groceries/Eating Out
2. Transportation
3. Activities & Miscellaneous
4. Housing
5. Travel
6. Clothing
7. Gifts

52%(29) Track Progress- family living goals

63% (35) Identify strengths and weaknesses

43%(24) Manage for the Future

45% (25) Read and study workshop materials.

How much did participants learn?

Survey Data N=56 completed evals (70 females; 1 male participating in pilot)

For each of the following topics, participants rated how much their knowledge increased as a result of participating in the workshop as reported in the pre/post self-assessment.

- Know and apply my understanding of **Farm Household Budget** (family living, income tax, principal payments, non-business expenses) to decisions- **79% knowledge growth**
- Have and use a spending plan that **budgets expenses before the money is spent and the family supports- 58% knowledge growth**
- Know and use **PowerPay.org** for building basic and/or expanded spending plans- **89% knowledge growth**
- Know how and use the skill of comparing and managing a family living budget **using financial benchmarking tools- 74% knowledge growth**

What Content was most helpful- responses?

-Comparing percentages	-The benchmarking tool & comparing my spending to the average of those in my area
-medical and health care needs to be better tracked	-County living expense averages
-I have all the data in Quickbooks that I can manage for the year over year	-What % of income should go to farm living as a draw- rule of thumb
-I compare to some benchmark data but you gave us 'more' state data	-PowerPay.org info
-Learning different categories of expenses	-PowerPay website from Utah Extension
-PowerPay, percents of spending	-Local living expenses examples and suggested websites
-PowerPay website and benchmarking tools	-The PowerPay.org
-Where to find benchmarks for categories	-Living Expenses for my County
-Budget worksheet compare to benchmarks	-It was very interesting and things to consider
-Definitely interested in the PowerPay website	-Everything was helpful and just exactly what I was looking for
-Budgeting Farm and Non-Farm Expenses	-Tools for Tracking my Expenses
-Budgeting tools	-Benchmarking Percentages of Budgets
-Farm Ratios	

-PowerPay, Slides with Case Study and Handouts	-Family Budgets and Cash Flow
-Presentation was Logical and can be applied to everyday life	-Learning about PowerPay and Benchmarking
-Handouts and Review to Study at Home	-Interesting to Compare; Resources; So much to know
-Computer Tools and Benchmark percent	-Off farm income discussion with health insurance

Location / Participant(s) Came From

- County
 - Buena Vista
 - Calhoun
 - Cherokee
 - Clay
 - Dickinson
 - Greene
 - Guthrie
 - Montgomery
 - Pocahontas
 - Webster

Partner(s)

- County Extension Staff
 - ISUEO Faculty/Staff
- ISU ANR And ISU Women In Ag