Women Managing Farm Finances

Author: Brown, Charles | Farm Management Specialist | crbrown@iastate.edu | Iowa State University Extension and Outreach | 212 N I Street | Oskaloosa, IA 52577-2060

Based on 2022 NC-ERME Grant: “Cybersecurity for Iowa Farmers and Rural Businesses”

PURPOSE

More than half (53%) of Iowa farms have one or more women producers. These farms annually market nearly $13 billion in livestock and crops (NASS, 2017.) The 2017 Iowa Farm and Rural Life Poll showed women participated in record keeping and/or financial management at substantially higher rates than men. Women farmers often sign and take responsibility for farm loans, tax returns and other financial documents and obligations.

METHODS

Women Managing Farm Finances is a 12-hour course that incorporates interactive learning while allowing time for discussion. The program helps women better understand financial statements, farm family living expenses, and income tax records. The course supports women as they gain skills for utilizing farm accounting software, obtaining loans and managing debt, and family living benchmarking. Due to COVID-19, this program was presented as a hybrid with sessions offered in-person and via Zoom.

RESULTS

In spring 2021, two courses reached 16 women in southeast Iowa. Of these, 8 completed a post-course retrospective survey. Two women were interviewed by phone one year after the course.

KEY IDEAS

- Most Valuable Topics:
  1. Benchmarking
  2. Ratio analysis
  3. Financial goals
  4. Record keeping software

- Most Knowledge Gained:
  1. Purpose of financial ratios
  2. How to calculate a current ratio and working capital
  3. Factors that affect financial stability

PARTICIPANT QUOTES

“It was a great class. I got specific detailed information about how to code farm expenses in QuickBooks. I want to get the information in correctly, so we can get good information out.”

-Jean Stout

“No one is ‘just a farmer’ anymore. It’s fun to drive the tractor or watch the baby calves, but more and more I appreciate how much it takes to run a successful business.”

-Carol Remick

LESSONS LEARNED

- “How to compile data and incorporate into balance sheets and other financial statements.”
- “Importance of setting short, intermediate and long-term goals in a farming operation.”

NEXT STEPS

- 75% of respondents indicated they will add responsibility for creating new financial reports.
- 63% of respondents indicated they wanted more farm finance workshops.

CONCLUSIONS

Women Managing Farm Finances courses were effective in extending knowledge. Extension has an important role in supporting women as they strive to improve their business record-keeping and financial management skills. How well the farm finances are managed significantly impacts both the profitability of the farm business and the well-being of the farm family.