

BEGINNING FARMER GUIDE

Module 1 Making the Decision to Farm



After you have completed this module, you will have:

- Evaluated what skills and knowledge you can bring to the farm operation
- Assessed your personality traits and values and considered how they align with the farm business
- Defined both life and business goals and analyzed how they relate to your career goals
- Developed a learning plan to fill in any gaps in skills, knowledge and experiences.

Making the decision to begin a career in agriculture requires many considerations and at times can be overwhelming when determining where to start. Taking the time to analyze your values, skills and goals can help you develop a plan for a truly rewarding agriculture venture. In addition, this self-analysis can help you to identify skills to improve and form the foundation of a business plan. This module provides insight into the type of personal evaluation you need to consider before making the decision to farm.

Analyze Yourself

Before you make the decision to farm, there are many factors to consider. As a beginning farmer, one of the most important steps to defining your farm career is to analyze yourself. Consider your personality traits and values that will allow you to be successful in the industry. What skills have you gained or what knowledge do you have that will define your role in the farm enterprise?

Skills and Knowledge

Look at the following example of a few of the skills and knowledge required in the farming industry.



Example Some Skills and Knowledge Required in a Farm Business

- Business management skills
- Strategic thinking and planning skills
- Communication skills
- Agronomic knowledge
- Animal husbandry and health knowledge
- Mechanical expertise
- Technology and innovation skills.

Given the list above, use the following exercise to identify both your current skills and knowledge and those you need to develop in the future. Any missing skills can be outsourced, if necessary. If you are joining an established farm business, a priority should be to develop your own role on the farm while developing a learning plan and eventual management transition.

Rarely will one person have all of the skills needed to run a successful farming enterprise; some tasks require assistance from specialists.

A yellow sticky note with two red pushpins at the top, containing handwritten text.

If you join an established farm business, make it a priority to develop your own role on the farm.



Describe Your Skills and Knowledge

Skills and Knowledge
You Have

Skills and Knowledge You
Need to Acquire or Outsource

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Start to think about where you might gain more skills and knowledge.

While managing or working in an agricultural business, you will deal with many issues, including organizing ongoing business activities, production activities, bookkeeping, marketing, supervising employees and dealing with suppliers. You will be required to make key decisions in an informed manner and to demonstrate the ability to build effective relationships with employees, partners, suppliers and customers to improve and enhance your skill set.

Personality Traits

Along with skills and knowledge, your personality traits and values will help you build a long-term vision for the farm business. Personality traits are all the aspects of a person's behavior and attitudes that make up his or her personality. Understanding and identifying these traits can help you make the most of your strengths and minimize your weaknesses to develop effective strategies for building a business.

Look at the following example of some traits that can help you become successful.



Example Personality Traits That Align with a Successful Business

- Determination
- Perseverance
- Passion
- Resilience
- Vision
- Adaptability
- Risk taking.

If you understand your own personality traits, as well as the traits of partners, employees, customers and suppliers, you can build better relationships and be considerate of other perspectives.



List Your Personality Traits

List some of your own personality traits that can help you build a strong farm business.

Do you have the personality traits that fit with building a strong farm business?

Values

If you understand your values, you can decide if a career in agriculture is what you really want. Agricultural businesses require a large time commitment and often a large capital investment. It will not be a regularly scheduled work day. It likely will not consist of a steady income every two weeks with guaranteed vacation and holidays. There is more risk, in certain ways, and less security than other career choices. This has to be accepted and understood.

Fortunately, along with these realities, there is also the empowerment of running your own business and competing in an exciting, innovative industry. For this reason, it is important to identify and record your personal values and how these values fit with a career in agriculture. By taking these values into account when you are considering a career in agriculture, you can decide if it is the right career choice for you.



List and Rank Your Values

Make a list of your key values. Then rank these values in order of importance to find out what is most important to you.

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Think about how these values fit with a career in agriculture.

Goals

In any business, setting goals is essential to business strategy. It gives a business purpose and direction. It is important to think about timelines and a future vision for the farm business. As a beginning farmer, you may have a lot of short-term goals, including learning different aspects of the business, improving skills and eventually transitioning into management. Since you may also be the future business manager, creating long-term goals is also important. Answer the following questions:

- Where would you like the farm to be in the future?
- What do you consider profitable or successful?

Writing down measurable goals can help you judge if you have been successful in achieving them and can help you create a plan to achieve them.

Consider the S.M.A.R.T. principles when you set your goals.

S - Specific: target details of what, why, how and when

M - Measurable: quantify or suggest an indicator of progress

A - Attainable: make goals possible of reaching

R - Realistic: set goals within your ability, given available resources

T - Timely: set a timeline when results can be achieved

Establishing clear, well thought out goals can be a great way to measure success.



Establish Your Goals

Try setting a goal that meets the S.M.A.R.T. principles.

Goal Statement: _____

See Worksheet 1, “Setting Farm Business Goals,” page 1-11 and Worksheet 2, “Setting Lifestyle Goals,” page 1-13.

Assess how well your goal statement meets the S.M.A.R.T. principles by checking off the following.

- Specific
- Measureable
- Attainable
- Realistic
- Timely



At the end of this module are two worksheets on setting both farm business and lifestyle goals. Use it to set short- and long-term goals and update on a regular basis.

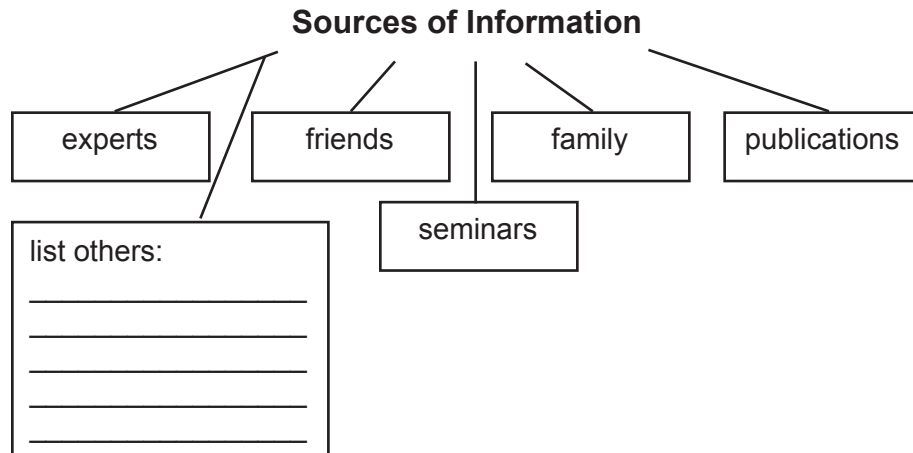
When you create business goals, you must also incorporate lifestyle goals and values. People have different reasons for wanting to farm: cultural ties to the land, lifestyle or an enjoyable way to earn a living. Matching your business goals to your goals in life helps you align your priorities and ensure you are happy with your decision to farm. In order to match your business and life goals, answer the following questions:

- Can you earn sufficient income to go along with the lifestyle you are seeking?
- Is your partner prepared for the lifestyle that will come from the decision to live in a rural setting?
- How much time do you have to commit to the farm operation?

These questions are ones all entrepreneurs and business owners need to ask themselves; however, some are especially important in agriculture due to time and capital commitments. Once you have thought of your business goals and considered how they relate to your lifestyle goals, you can align and prioritize them.

Develop a Learning Plan

You likely have a lot to learn about running an agricultural business. Be prepared to learn the applicable business as quickly as possible and gain as much expertise as you can. Much of this information is readily available to you through experts, friends and relatives. Hopefully these people are prepared to provide objective opinions.



Other people involved in your farm business might provide mentorship. This is a great way to learn from individuals who have a great deal of expertise and are willing to guide you.

Take the time to formally develop a learning plan that includes what you would like to learn and from whom or where it is possible to receive that training. As part of a learning plan, you should clearly identify your learning goal or new skill you would like to develop. The learning experience can come through a formal education program such as university or college or informally through a mentorship under an expert in that skill. Identify the support you will require, and plan for implementation into the farm business.



Start to fill in your learning plan and update it on a regular basis. The worksheet is included at the end of this module.

See Worksheet 3, "My Learning Plan," on page 1-15.

Learn to Think Like a Business Person

Starting a farm business or transitioning into a farm business and taking over the management of a farm business requires you to think like a business person. For example, you should begin to see yourself as a people person who can get along with and enjoy interacting with suppliers, customers, neighbors and bankers. Like any business owner, you need to be involved in your business on a constant basis. Being a business person requires entrepreneurial thinking and imagining a wide number of possible ends that might be achieved with the resources available. You need to continually seek new opportunities and evaluate each of these new opportunities and related risks and how they contribute to the farm business. You should be able to assess the positives and negatives of both new and old business activities to truly understand their economic benefits to the farm business and decide which ones are best to continue, pursue or end. This type of thinking needs to take place before launching a business or succeeding in the management of a business.

Conclusion

It is important to clearly understand your skills and knowledge, personality traits, values and goals before deciding to become involved in a farm business. Once you make the decision to start or enter a farm business, this self-analysis can assist you in developing a learning plan and long-term vision and plan for your farm business. Having a vision and plan will allow you to decide whether running a farm business is something you truly have the passion, drive and dedication with which to proceed.

Use the checklist below to confirm that you have completed a self-analysis of what you can bring to a farm business and can move on to the next step of assessing your resources.



Checklist

Evaluate Yourself

- I have thought about what skills and knowledge I can contribute to the farm business
- I have thought about which role in the farming enterprise would best match my skill set and knowledge
- I recognize my personal traits that will assist me in building a farm business
- I have written out my core set of values and aligned them to the farm business
- I have identified areas where professional expertise or guidance may be needed

Set Goals

- I have written out S.M.A.R.T. goals for my business
- I have written out S.M.A.R.T. goals for my life
- I have compared my business goals with my life goals and analyzed how they align

Develop a Learning Plan

- I have identified learning goals and skills to improve
- I have identified the learning experiences I need to develop my skills
- I have created an inventory of sources where I can acquire additional information and knowledge
- I have developed a plan to implement or apply my new skills to the farm business

Worksheet 1



Set Farm Business Goals

Write a **S.M.A.R.T.** goal (short-term or long-term) and the specific actions required to make it possible to achieve. Use the following worksheet:

Today's Date: _____ Target Date: _____

Start Date: _____ Date Achieved: _____

My farm business goal:

Verify if your goal is S.M.A.R.T.:

Specific: What do you want to accomplish? The goal is well-defined and clear.

Measurable: How will you know when you have reached the goal?

Achievable: Is the goal realistic to achieve with time and effort? Do you have the resources needed? If not, how will you get them?

Realistic: Do you have the appropriate resources, knowledge and time? If not, what is required for support?

Time-bound: By what date do you want the goal accomplished? _____

Finish the following sentence to finalize your goal:

My first goal for my farm business is _____

and I will do it by (in the following manner) _____

I will know I am making progress because it will be measured by _____

and accomplished by this date or timeline _____

Worksheet 2



Set Lifestyle Goals

Write a **S.M.A.R.T.** goal (short-term or long-term) and the specific actions required to make it possible to achieve. Use the following worksheet:

Today's Date: _____ Target Date: _____

Start Date: _____ Date Achieved: _____

My lifestyle goal:

Verify if your goal is S.M.A.R.T.:

Specific: What do you want to accomplish? The goal is well-defined and clear.

Measurable: How will you know when you have reached the goal?

Achievable: Is the goal realistic to achieve with time and effort? Do you have the resources needed? If not, how will you get them?

Realistic: Do you have the appropriate resources, knowledge and time? If not, what is required for support?

Time-bound: By what date do you want the goal accomplished? _____

Finish the following sentence to finalize your goal:

My first goal for my lifestyle is _____

and I will do it by (in the following manner) _____

I will know I am making progress because it will be measured by _____

and accomplished by this date or timeline _____
