

# Weekly Article

4-17-2023

## Keys to Successful Farm Management

Hello, my name is Richard Purdin with OSU Extension, Ag and Natural Resource Educator, and Community Development Educator for Adams County. I hope to better inform local producers and the public of the latest news in the world of agriculture. I think mother nature is wanting to take her summer vacation a little early! Last week was a picture-perfect week for farmers to get some fieldwork accomplished. With warm weather and little precipitation, the ground conditions have improved enough to get some tillage and planting accomplished. Pasture and hay fields took quite the growth spurt as well, allowing producers to let the livestock out on the pastures to begin the grazing season. The Winter wheat crop continues to green up and tiller, many producers were able to apply nitrogen and herbicides to the winter wheat crop this past week as well. I am amazed at how dry the soil conditions are for this time of year and looking at the future forecast that trend looks to remain for the rest of the month of April. Farm life can get pretty crazing during the spring months, farmers can be pulled in many different directions especially if their operations are very diversified with livestock and crop production. It is very easy to get consumed with farm chores and forget about other critical tasks that can directly affect the farm business.

I often get asked by young, or just beginning farmers, “How do I become a successful farmer?” This is a question I continue to ask myself and I believe this is a question even the most experienced farmers should ask themselves as well. I believe there is always room for improvement and as one wise farmer told me “Every day you farm you learn something new.” Webster’s dictionary defines success as a favorable or desired outcome. What I take from that definition is that success is based on one’s perception. When a task is completed on a farm and the outcome is as your desired it to be then you can chalk that up to be a success! Too often times society looks at the value and amount of assets one has as the ranking of success but in reality, the bigger the combine or the amount of cattle on the hill doesn’t always equate to a bigger success story! Here are a few hints that you can take and ponder on as your plant your corn or mow your hay this spring when it comes to evaluating your farm business and striding for true success.

Tip #1- Have a plan- farm operations are very dynamic and always evolving and changing. Taking time to sit down with family members, partners, and employees to develop a farm business plan is well worth the time. A farm plan should include an overview of the farm, the goals of the farm, the members present, and the duties of each member. If one of the farm’s goals is to expand or add members to the operation the

financial and economic factors should be defined, and additional funding should be included as well. Financial plans should be included in the plan as well, this should show how the farm will pay for the extra expenses and costs of farm projects. Farm plans should also include risk management and marketing plans.

Tip #2 -- Focus on records – it can be hard to stop working and sit down to take records, but this is critical for farm success. Records on the farm include financial and production records. Financial records will include balance sheets, cash flow sheets, and farm loan records. Production records include planting dates, fertility, grazing, birthing, marketing, and everything that has to do with producing a product on the farm.

Tip #3 – Be thoughtful on investments- Everything in today’s world is expensive so take time to consider the return on investment and the actual need for investments made on the farm. No matter if you have money in the bank or ask the bank for money to purchase a new tractor or build a new hog barn it is important to show how the investment will pay for itself and return back to the farm business. Are there other reasons for the investments other than wants or is it out of true need?

Tip #4- Take a look at your insurance- Is your current farm insurance providing coverage suitable for the size of your farm? As your farm grows or adds enterprises, a good conversation with your farm insurance agent should be a priority.

Tip #5- Build your support team- it is not always what you know but whom you know as well. Agronomists, seed representatives, accountants, grain/livestock buyers, extension educators, and family partners should all be on speed dial and routinely consulted before decisions are made.

Tip #6 – Don’t get too stretched out- Diversity on the farm is a good thing to an extent. It is possible to be over diversified and this leads to you being overwhelmed and unproductive. Focusing on enterprises that you understand and have shown an economic return is more important than having a hundred different enterprises on the farm.

#### Other information:

- Crop Revenue Loss Assistance through the second phase of the Emergency Relief Program (ERP), the deadline is June 2<sup>nd</sup>. To learn more, call your Local Farm Service Agency.
- April 29<sup>th</sup> 10:00 am, Energy Development Briefing Concerning Utility-Scale Solar Energy Projects. This event is being put on by the Ohio Farm Bureau Federation. Please RSVP to Adams County Farm Bureau by emailing [adams@ofbf.org](mailto:adams@ofbf.org) or call at 937-378-2212

Ag Educator Words of encouragement – Good planning and hard work lead to prosperity, but hasty shortcuts lead to poverty. Proverbs 21:5