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## Risk Management Education/Annie's Project

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# Cornhusker Economics

## Cooperative Extension

Institute of Agriculture & Natural Resources  
Department of Agricultural Economics  
University of Nebraska – Lincoln  
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### Risk Management Education/Annie's Project

Market Report	Yr Ago	4 Wks Ago	5/20/05
<b><u>Livestock and Products,</u></b>			
<b><u>Weekly Average</u></b>			
Nebraska Slaughter Steers, 35-65% Choice, Live Weight . . . . .	85.86	93.73	88.32
Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb . . . . .	127.79	141.57	139.28
Nebraska Feeder Steers, Med. & Large Frame 750-800 lb . . . . .	111.41	115.50	118.65
Choice Boxed Beef, 600-750 lb. Carcass . . . . .	154.13	157.84	156.25
Western Corn Belt Base Hog Price Carcass, Negotiated . . . . .	78.72	70.08	68.20
Feeder Pigs, National Direct 45 lbs, FOB . . . . .	45.26	63.87	56.11
Pork Carcass Cutout, 185 lb. Carcass, 51-52% Lean . . . . .	86.62	68.08	74.71
Slaughter Lambs, Ch. & Pr., 90-160 lbs., Shorn, Midwest . . . . .	97.50	105.75	109.00
National Carcass Lamb Cutout, FOB . . . . .	218.25	252.93	251.20
<b><u>Crops,</u></b>			
<b><u>Daily Spot Prices</u></b>			
Wheat, No. 1, H.W. Omaha, bu . . . . .	3.72	2.99	3.02
Corn, No. 2, Yellow Omaha, bu . . . . .	2.73	1.90	1.94
Soybeans, No. 1, Yellow Omaha, bu . . . . .	8.97	6.21	6.54
Grain Sorghum, No. 2, Yellow Columbus, cwt . . . . .	4.46	2.73	3.09
Oats, No. 2, Heavy Minneapolis, MN, bu . . . . .	1.68	1.79	1.61
<b><u>Hay</u></b>			
Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton . . . . .	115.00	117.50	115.00
Alfalfa, Large Rounds, Good Platte Valley, ton . . . . .	62.50	62.50	62.50
Grass Hay, Large Rounds, Good Northeast Nebraska, ton . . . . .	57.50	57.50	57.50
* No market.			

Since 2001 the North Central Risk Management Education Center has been providing leadership and program coordination in risk management education for twelve states in the North Central Region. These states include: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. "Empowering the strengths and skills of individuals in the North Central Region involved in the management of agricultural production, marketing, financial, legal and human resource risks" is the Center's mission. The Center is headquartered in the Department of Agricultural Economics at the University of Nebraska – Lincoln.

The Risk Management Education Center is grant-funded through USDA and offers a competitive grants program each year. This program enables educators to develop and deliver risk management education programs that respond to priority risk management education needs at the producer level. The grant program encourages collaboration and partnering of public and private entities inside and outside the region. To find information on programs that have been funded through the Center, or information on the grant application process, check our website at [www.farmdoc.uiuc.edu/ncrisk](http://www.farmdoc.uiuc.edu/ncrisk).

This past winter the Center worked with local extension educators to conduct a producer focus group in each of the twelve states. The purpose of these focus groups was to determine the impact of programs funded by the Center and to assess the risk management education needs of producers throughout the region. We focused on the five main areas of risk: environmental, financial, human resource, legal and marketing. The results from the focus groups will be used to determine the direction of future risk management education programs.

Presently, ten focus groups have been completed. The participants of these focus groups were *on average* 45 years of age, had some college education, owned/rented 1,861 acres of land, had 628 head of livestock and had been farming or ranching for 25 years.

Participants in focus groups identified several areas for risk management programming: finding and retaining good employees; manure management; understanding government programs; understanding cash flow and cost of production concerning their operation; estate planning; farm transfer; sharing and leasing equipment, and; crop, livestock, health/disability and liability insurance. It was interesting to discover that while the

internet is available in most areas, some only have the option of using dial-up and struggle with trying to download information from websites.

One issue that was apparent in every state was women’s education. Often silent, hidden and under-appreciated, rural women represent an untapped resource to the stability of the farm operation. The number of female-operated farms and women landowners continues to rise in the United States. According to the 2002 Agricultural Census, 3,005 farms in Nebraska have women as the principle operator, and over 15,000 women have a role in the day-to-day decision making process. A need for advanced training in finance, business planning and other farm management areas became apparent from not only these focus groups, but also from evaluation results and interaction from participants at the 2004 Nebraska Women in Agriculture conference.

An example of a successful women’s education program funded by the Risk Management Center is “Annie’s Project.” Annie’s Project was originally developed at the University of Illinois by Ruth Hambleton. This program has been duplicated and is now being delivered in seven states throughout the North Central Region. Two pilot projects were held in Nebraska this spring, one in North Platte and one in Seward. These pilot projects were made possible by an extension grant awarded to the Women in Agriculture Program at the University of Nebraska.

The goal of Annie’s Project is to provide a diverse program that will interest any woman that is involved in the agricultural industry. The program is delivered in a series of six workshops that are three hours in length. It is designed to cover the five areas of risk through a wide assortment of topics taught by a variety of experts. It combines lecture, discussion, individual work, small group work, computer work and audio/visual support to address the topics of risk, financial statements, understanding personalities, marketing plans, business plans, estate planning, spreadsheets and technology. See Table 1 for the general layout of the class agenda.

The mission of Annie’s Project is to provide an educational program designed to empower farm/ranch women to manage information systems used in critical decision making processes and develop a support network to provide essential continuing education and self-help. Annie’s Project targets women actively involved in agriculture and agribusiness, including women landowners. The North Platte and Seward Annie’s Project each had twenty eager and enthusiastic participants. The age of the women ranged from mid-twenties to over seventy years of age.

They came from various backgrounds including cow/calf operations, row crop farms and agribusinesses. The individual roles of the women varied as some were the bookkeeper and others were the primary operator. As a result of this education, women became confident and capable members of the management team for their operation. The evaluations from the Nebraska Annie’s Projects show that the mission is being accomplished. Following are a few comments at the end of the six week program held in North Platte and Seward.

- “I never knew we could learn so much from each other.”*
- “I believe our goal setting process and mission statement will pay-off greatly.”*
- “I plan to get our estate plan in place in the next six months, get myself better organized, update our wills and get a marketing plan and utilize it.”*
- “I will make better use of financial statements.”*
- “I now understand the importance of a plan and communicating with family/business partners.”*
- “I never knew that farm women were so important.”*

Future Annie’s Projects are planned, as the Nebraska Women in Agriculture Program received a North Central Risk Management Education Center grant for four more programs in the next eighteen months. Moreover, other extension programs were initiated due to Annie’s Project. A marketing workshop for couples was presented in North Platte after the six week program. Eighteen interested participants attended an evening session to learn more about advanced marketing. In June, a one day couples estate planning and marketing workshop will be hosted in North Platte, due to the interest generated from Annie’s. Additionally, the established Risk Management Group in North Platte gained a few more attendees. This club meets monthly to discuss relevant agricultural issues via speakers and curriculum. A Risk Management Club is developing due to the networking established at Annie’s in Seward. For more information on Annie’s Projects and related programs in Nebraska visit <http://wia.unl.edu>.

There is a true need for risk management education in agriculture as evidenced by the focus groups conducted by the North Central Risk Management Education Center. Programs such as Annie’s Project are an example of what is being done to address some of the needs. The challenge is set before us to continue to develop risk management education programs to give producers the tools they need to sustain a successful operation in the changing profession called ‘agriculture.’

Annie’s Project Syllabus					
Day 1	Day 2	Day 3	Day 4	Day 5	Day 6
Risk Assessment Survey	How Property is Titled	Retirement/Estate Planning	Risk Management Strategy	Life, Health and Disability Insurance	Computer Software FAST
Course Introduction	Business Plans	Financial Documentation		Cash/Crop Share Leases	FAST Tools
Women and Money	Finpack Business Plan Software	Balance Sheets	Developing Marketing Plans	Crop Insurance	Excel
Colors Matrixx	Goal Setting/Mission Statements	Income Statements			Internet Basics
		Cash Flows			

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