

Risk is less risky when it's managed

'She'll be right' may be an iconic Australian attitude but it is not the foundation for a farm business management plan. Today, the focus for farm management needs to be on managing risk not relying on luck. Farmers from across the State have attended Risk Management workshops organised by Partners in Grain (PING) and supported by a grant from the National Landcare Program, and are benefiting from working together and learning how risk can be managed.

"We all know farming is a risky business due to the number of factors that are out of our direct control, but there are even more factors that are in our control," explained Sharon Honner of Ag Consulting Co, who is facilitating these workshops with colleague Jeanette Long.

"The Risk Management Awareness workshop is all about working out what is in your control and then putting action plans in place."

"Actions can be as simple as fixing interest rates so you know exactly what your repayments will be to producing plans for livestock sales so sparse feed can be maximised and changes in prices accommodated.

Sharon describes the workshop as a facilitated pooling of knowledge; everyone is encouraged to participate in identifying their current and future risks, everyone's opinion is valued.

Risks are categorised into themes, for example financial, family, environment, from there the group looks at the production of simple action plans to make these risks manageable.

"Action plans give a timeline and written statement of what is anticipated, in this way you have a place to tick-off achievements."

The workshop is about giving participants concrete outcomes and tools that they can use in their own businesses. The workshop uses a Risk Rating Assessment developed by SA Agricultural Economist Mike Krause, it also looks at environmental management systems (EMS) and QA. Each participant receives a pack that includes forms for rating risk, EMS, accident reporting and simple action plans.

In total ten workshops will be run in this financial year, with a further ten in 2007-08. So far, three workshops have been run at Geranium, Kimba and Cummins and two more are planned for Bordertown and Streaky Bay. Feedback from the first three workshops has been very positive.

Participants found that the group approach beneficial as it identified they were not alone and dealing with similar risks. It also highlighted how they could learn from each others approaches to managing these risks.

"Many were surprised at the level of control they really had over issues they had previously felt were totally out of their control, such as drought and input prices.

"When business partners attended they found the techniques learnt at the workshop would help in their business communication."

At some workshops participants identified they needed further training. For example one group is now organising a succession planning workshop and another wants to use the Myer Briggs assessment process to highlight the strengths and weaknesses in their business management skills and practices.

Sharon encourages growers who would like a risk management workshop run in their area or to find out the dates for Bordertown and Streaky Bay to contact her or Jeannette.

What is PING?

Partners in Grain (PING) is a national project funded by GRDC. It was initiated in 2001 to encourage women and young people to increase their skills through participation in professional development and become more involved in the grains industry. The GRDC recognised that women and young people can be highly influential over business decisions but were often excluded from the professional development opportunities provided due to lack of invitation, or child care facilities or inappropriate scheduling. PinG is now active in each state; guided by a state reference group, the project supports workshops on grain marketing to beer appreciation and activities including crop walks that are inclusive of all members of the family farming business.

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