

Profiting from technology

Plan to Profit is a new computer based planning tool specifically designed for farmers to help them secure the future of their business. With support from GRDC and Farmbiz, farmers on the YP had the opportunity to put the program through its paces at two workshops. With program designer, agricultural economist Mike Krause, the producers learnt what Plan to Profit could offer them, using their own data.

Two of the participants were Richard and Martin Slade who farm with Martin's brother Andrew, and their respective families near Weavers on southern Yorke Peninsula. The Slades run a mixed farming enterprise with about 1300 hectares cropped to malting barley, wheat and pulse crops and 500 hectares of pasture that support the 1000 head merino breeding flock and their off-spring.

With a mix of enterprises and three families in the business the Slades want to be able to look at all the options for their business and to be able to communicate these back to all involved.

Martin, who manages much of the business' book work, uses 'Phoenix' for the accounts and has recently started using PAM for their paddock records.

"These programs are both good at recording actual activities and transactions but we were interested in learning more about Plan to Profit as this program is all about budgets and forecasting," explained Martin Slade.

Plan to Profit is described as an easy to use, whole-farm financial planning system; indeed it can cover any mix of enterprises as well as off-farm investments. The program allows financial budgets to be made for five year periods. The system includes the software, training and support.

One strength of the program is the ability to compare scenarios. For example, purchasing land versus leasing versus share farming or purchasing new versus second hand machinery, even changing enterprises mixes and rotations.

Sandilands farmer Steven Mattschoss also attended the workshops. The fact that the program could do scenario analysis especially appealed to him as he felt it would help improve his decision making.

The Slade also plan to use the program to help them make more informed decisions.

"We have always looked at all the options and tried to calculate their impact; this program offers more flexibility and should provide us with more detail."

As with any program that offers individual flexibility there is the need to input your own data. Martin Slade is concerned about the initial amount of data that he will need to enter into the program but accepts this will provide a base for future planning.

"I had hoped that the program would be able to work with data from other programs but it seems that we have to accept that every new program requires independent data inputs."

While it is difficult to predict the future, it is sound business sense to make decisions made on the best information. Integrating Plan to Profit into the farm office was considered to benefit decision making by those attending the workshops. More Plan to Profit workshops will be held on Yorke Peninsula in 2007

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