



Risk Management Education in Agriculture

- presented by the RightRisk Education Team

Do You Know?

- ◆ The different sources of risk and potential controls for them?
- ◆ How to measure the chances of an unfavorable outcome?
- ◆ The different attitudes people have toward risk?
- ◆ The relationships of decisions and outcomes?

Business ventures with low risk typically provide little potential for profit. Ventures with the highest potential for profits tend to be the most risky. So, agricultural producers must constantly make management decisions considering the potential for profits and the associated risks and losses that could result.

RightRisk is an innovative risk management education program. It involves formal presentations and the exciting opportunity to play the RightRisk Game. The game simulates real world situations and is designed to assist farm and ranch managers in recognizing and managing risks.

RightRisk allows participants to:

- (1) Develop risk management strategies,
- (2) Compare one strategy to another,
- (3) Practice making management decisions related to risk, and
- (4) Learn about their own personal risk management styles.

The **RightRisk** Education Team consists of researchers and extension specialists from several western states. The coalition was established to develop innovative and effective extension education programs for ranchers and farmers, as well as for extension personnel across the United States

During a **RightRisk** workshop, you'll examine:

- √ Sources and Controls of Risk: production, marketing, financial, legal, and human.
- √ Lessons on Probability.
- √ Risk Attitudes.
- √ Risk-Bearing Ability: financial situation, probabilities, costs of risk management strategies, break-evens, profit goals, and responsibilities.
- √ Relationship of Decision & Outcomes: good decision—good outcome, good decision—bad outcome, bad decision—good outcome, bad decision—bad outcome
- √ Safety First Criteria: insuring a minimum income level before maximizing profits.

How Much Risk
Is Right For You...

