



helping families manage
rural enterprises:

*Providing information to help practitioners become
more effective through information, tools, and
education.*

Rural Family Ventures: a project overview

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CSU - J. Tranel,

UA - T. Teegerstrom and T. Rahman

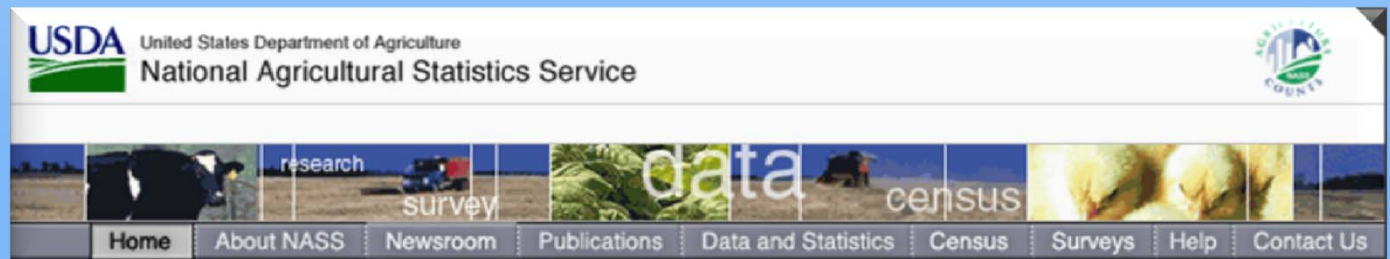
Surveys

■ Spring 2006

- Target: operators reporting <\$50,000 in agricultural sales
- Three states: WY, CO, AZ
- Population: 27,989
- Sample: 5,000
- Returns: 2,447

■ Spring 2009

- Target: operators reporting >\$50,000 in agricultural sales
- Three states: WY, CO, AZ
- Population: 16,276
- Sample: 3,000
- Returns: 1,463



Instrument

▣ <\$50,000

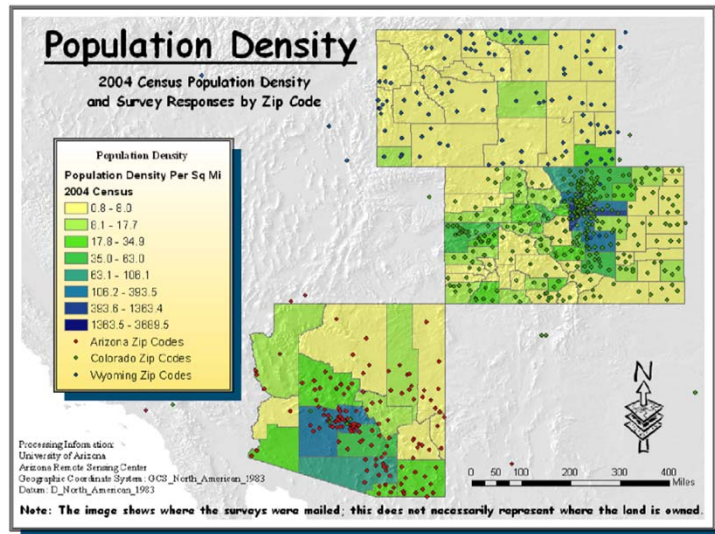
- ▣ Eight page instrument
- ▣ Eight sections:
 - ▣ Reasons for involvement
 - ▣ Information sources
 - ▣ Resource management
 - ▣ Crop enterprises
 - ▣ Livestock enterprises
 - ▣ Income Issues
 - ▣ Demographics
- ▣ 41 questions

▣ >\$50,000

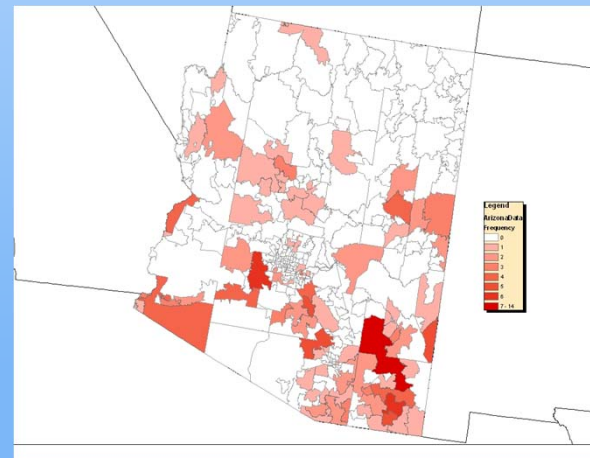
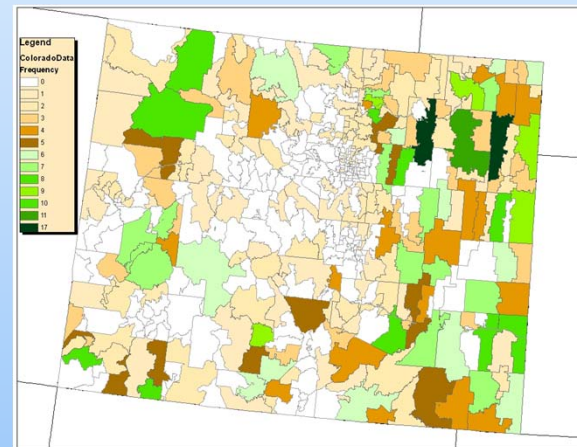
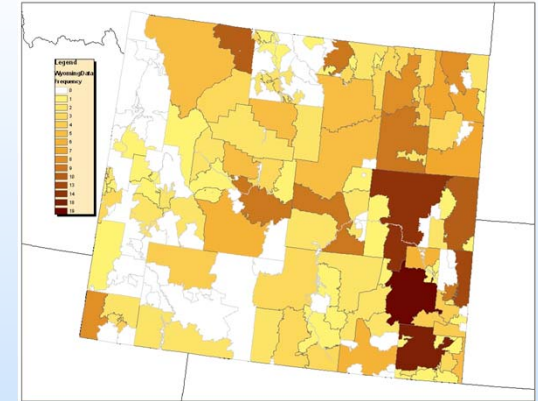
- ▣ Eight page instrument
- ▣ Nine sections:
 - ▣ Reasons for involvement
 - ▣ Information preferences
 - ▣ Resource management
 - ▣ Crop enterprises
 - ▣ Livestock enterprises
 - ▣ Income Issues
 - ▣ Demographics
 - ▣ Other
- ▣ 56 questions

Responses

<\$50,000



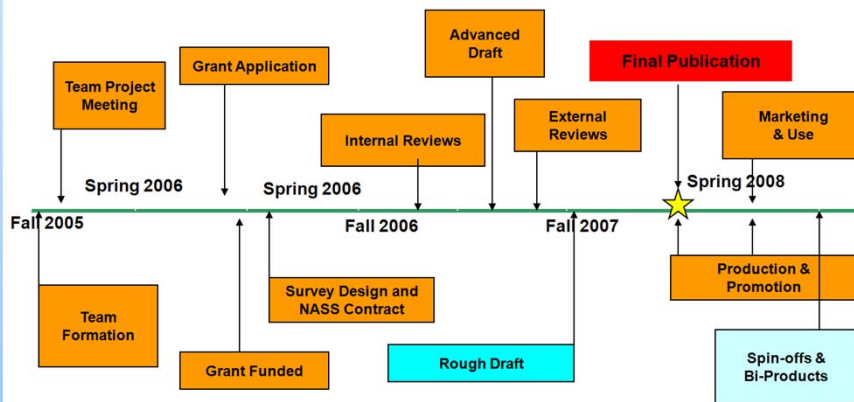
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Timeline

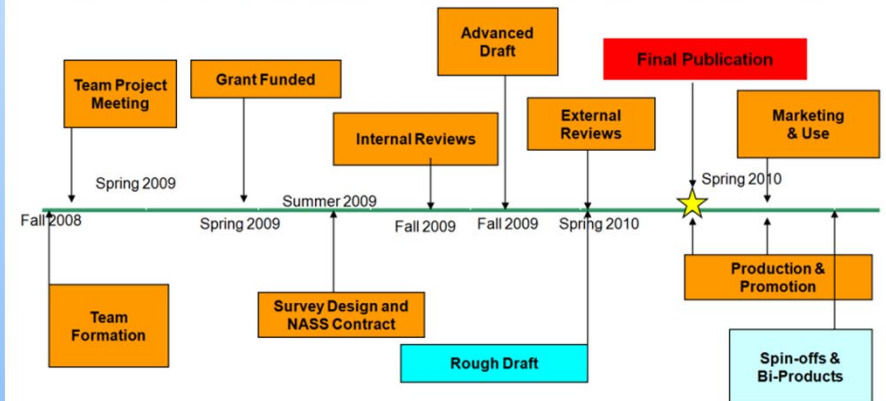
<\$50,000

RURAL FAMILY VENTURES SURVEY



>\$50,000

Profiling the Needs for Risk Management Education of Commercial Agricultural Producers in the Intermountain West



Respondent Income

<\$50,000

- ▣ Returns: 2,447
- ▣ Income questions responses:
 - ▣ No response: 1,121 (45.8%)
 - ▣ Some response: 1,326 (54.2%)
 - ▣ <\$50k: 1,243 (93.7%)
 - ▣ >\$50k: 83 (6.3%)

>\$50,000

- ▣ Returns: 1,463
- ▣ Income questions responses:
 - ▣ No response: 151 (10.3%)
 - ▣ Some response: 1,312 (89.7%)
 - ▣ <\$50k: 427 (32.5%)
 - ▣ >\$50k: 885 (67.5%)

Unknown Income

- ▣ 1,272 (33%)

<\$50,000

- ▣ 1,670 (43%)

>\$50,000

- ▣ 968 (25%)

Demographics:

Characteristics

most common response

Unknown Income

Operator #1

- Gender: male
- Age: 65 & over
- Race: white

Operator #2

- Gender: female
- Age: 45 - 54
- Race: white

Average number of
primary operators: 1.6
(range: 1-7)

<\$50,000

Operator #1

- Gender: male
- Age: 55 - 64
- Race: white

Operator #2

- Gender: female
- Age: 55 - 64
- Race: white

Average number of
primary operators: 1.5
(range: 1-9)

>\$50,000

Operator #1

- Gender: male
- Age: 55 – 64
- Race: white

Operator #2

- Gender: female
- Age: 45 - 54
- Race: white

Average number of
primary operators: 1.8
(range: 1-11)

Demographics:

Characteristics cont.

most common response

Unknown Income

Operator #1

- ▣ Years at current location: 10
- ▣ Years in community: 30

Operator #2

- ▣ Years at current location: 10
- ▣ Years in community: 30

Percent of household income from ag operations: 10%

<\$50,000

Operator #1

- ▣ Years at current location: 10
- ▣ Years in community: 30

Operator #2

- ▣ Years at current location: 8
- ▣ Years in community: 30

Percent of household income from ag operations: 10%

>\$50,000

Operator #1

- ▣ Years at current location: 30
- ▣ Years in community: 50

Operator #2

- ▣ Years at current location: 30
- ▣ Years in community: 30

Percent of household income from ag operations: 100%

Demographics:

Education

Unknown Income

Operator #1

- ▣ High School¹
- ▣ College Degree, 4 yr²
- ▣ College Degree, 2 yr³

Operator #2

- ▣ High School¹
- ▣ College Degree, 2 yr²
- ▣ College Degree, 4 yr³

<\$50,000

Operator #1

- ▣ High School¹
- ▣ College Degree, 4 yr²
- ▣ College Degree, 2 yr³

Operator #2

- ▣ High School¹
- ▣ College Degree, 4 yr²
- ▣ College Degree, 2 yr³

>\$50,000

Operator #1

- ▣ High School¹
- ▣ College Degree, 4 yr²
- ▣ College Degree, 2 yr³

Operator #2

- ▣ High School¹
- ▣ College Degree, 4 yr²
- ▣ College Degree, 2 yr³

^{1,2,3} 1st, 2nd, and 3rd most common responses.

Demographics:

Distances

most common response

Unknown Income

- Distance from residence to property: 1 mi
- Distance to nearest metro area: 5 mi
- Distance to farthest off-farm job: 10 mi

<\$50,000

- Distance from residence to property: 1 mi
- Distance to nearest metro area: 10 mi
- Distance to farthest off-farm job: 10 mi

>\$50,000

- Distance from residence to property: 5 mi
- Distance to nearest metro area: 20 mi
- Distance to farthest off-farm job: 20 mi

Resource Management:

Acres of land?, Crops grown?, Type of livestock? most common response

Unknown Income

- ▣ Owned: 40 ac
- ▣ Leased: 40 ac
- ▣ Total: 40 ac
- ▣ Alfalfa and alfalfa mixture hay¹
- ▣ Mixed/other hay²
- ▣ Small grains³
- ▣ Beef cattle¹
- ▣ Sheep (all uses except dairy)²
- ▣ Dairy cattle³

<\$50,000

- ▣ Owned: 40 ac
- ▣ Leased: 80 ac
- ▣ Total: 40 ac
- ▣ Alfalfa and alfalfa mixture hay¹
- ▣ Mixed/other hay²
- ▣ Small grains³
- ▣ Beef cattle¹
- ▣ Other²
- ▣ Sheep (all uses except dairy)³

>\$50,000

- ▣ Owned: 2,000 ac
- ▣ Leased: 2,000 ac
- ▣ Total: 1,000 ac
- ▣ Small grains¹
- ▣ Alfalfa and alfalfa mixture hay²
- ▣ Corn³
- ▣ Beef cattle¹
- ▣ Sheep (all uses except dairy)²
- ▣ Dairy cattle³

¹, ², ³ 1st, 2nd, and 3rd most common responses.

Income Issues:

What was the primary source of income for this operation?

Unknown Income

- ▣ Beef cattle¹
- ▣ Other²
- ▣ Hay farming³

<\$50,000

- ▣ Beef cattle¹
- ▣ Other²
- ▣ Hay farming³

>\$50,000

- ▣ Beef cattle¹
- ▣ Grain and oilseed farming²
- ▣ Hay farming³

^{1,2,3} 1st, 2nd, and 3rd most common responses.

Income Issues:

How was this operation financed?

Unknown Income

- ▣ Cash flows from product sales¹
- ▣ Operating loan from bank²
- ▣ Personal savings³

<\$50,000

- ▣ Off-farm income¹
- ▣ Cash flows from product sales²
- ▣ Personal savings³

>\$50,000

- ▣ Cash flows from product sales¹
- ▣ Operating loan from bank²
- ▣ Personal savings³

^{1,2,3} 1st, 2nd, and 3rd most common responses.

Income Issues:

How does this operation market commodities, products, and services?

Unknown Income

- ▣ Auctions¹

- ▣ On-farm direct sales²

- ▣ Other³

<\$50,000

- ▣ Auctions¹

- ▣ On-farm direct sales²

- ▣ Other³

>\$50,000

- ▣ Auctions¹

- ▣ On-farm direct sales²

- ▣ Other direct sales³

^{1,2,3} 1st, 2nd, and 3rd most common responses.

Reasons for Involvement:

Why is the primary operator involved?

Unknown Income

- ▣ Working close to nature is rewarding¹
- ▣ To make a profit²
- ▣ To supplement family income³

<\$50,000

- ▣ Working close to nature is rewarding¹
- ▣ To make a profit²
- ▣ To supplement family income³

>\$50,000

- ▣ To make a profit¹
- ▣ Working close to nature is rewarding²
- ▣ My operation keeps me closer to my family³

Reasons for Involvement:

Primary Operator attitudes – agreement (disagreement)

Unknown Income

- Success is driven by my own abilities rather than relying on others¹
- I consider myself successful²
- (The work needs to be done but there is no great joy in it)¹
- (Business tasks must come before family/personal time)²

<\$50,000

- Success is driven by my own abilities rather than relying on others¹
- I consider myself successful²
- (The work needs to be done but there is no great joy in it)¹
- (Business tasks must come before family/personal time)²

>\$50,000

- I consider myself successful¹
- Success is driven by my own abilities rather than relying on others²
- (The work needs to be done but there is no great joy in it)¹
- (The business will fail if I am not able to do the work)²

^{1,2} 1st and 2nd most common responses.

Reasons for Involvement:

How long does the operator expect to manage this property?

Unknown Income

- ▣ Until I can no longer do the work¹
- ▣ Until I die²
- ▣ Until I retire³

<\$50,000

- ▣ Until I can no longer do the work¹
- ▣ Until I die²
- ▣ Until I retire³

>\$50,000

- ▣ Until I can no longer do the work*
- ▣ Until I retire*
- ▣ Until I die²

* Equal number of responses

Reasons for Involvement:

Rank the five sources of risk in terms of importance

Unknown Income

- ▣ Financial risk¹
- ▣ Production risk²
- ▣ Human risk³
- ▣ Market risk⁴
- ▣ Legal/institutional⁵

<\$50,000

- ▣ Financial risk¹
- ▣ Production risk²
- ▣ Human risk³
- ▣ Market risk⁴
- ▣ Legal/institutional⁵

>\$50,000

- ▣ Production risk¹
- ▣ Financial risk²
- ▣ Market risk³
- ▣ Human risk⁴
- ▣ Legal/institutional⁵

Information Preferences:

The Primary Operators preferred sources of information?

Unknown Income

- ▣ Peer/support group or network¹
- ▣ Cooperative Extension²
- ▣ Trade organization³

<\$50,000

- ▣ Peer/support group or network¹
- ▣ Cooperative Extension²
- ▣ Trade organization³

>\$50,000

- ▣ Peer/support group or network¹
- ▣ Cooperative Extension²
- ▣ Trade organization³

Information Preferences:

In what form does the operator prefer the information?

Unknown Income

- ▣ Print¹
- ▣ Newsletter²
- ▣ Direct mailing³
- ▣ Internet (excluding e-mail)⁴

<\$50,000

- ▣ Print¹
- ▣ Newsletter²
- ▣ Direct mailing³
- ▣ Internet (excluding e-mail)⁴

>\$50,000

- ▣ Print¹
- ▣ Newsletter²
- ▣ Internet (excluding e-mail)³
- ▣ One on one⁴

Information Preferences:

How could the information sources be improved?

Unknown Income

- ▣ Improved content¹
- ▣ More understandable²
- ▣ Easier access³

<\$50,000

- ▣ Improved content¹
- ▣ More understandable²
- ▣ Easier access³

>\$50,000

- ▣ Improved content¹
- ▣ Easier access²
- ▣ Content applicability³

Demographics:

Characteristics cont.

2009 survey only

Unknown Income

Operator #1

Descriptions which fit:

- ▣ Small farm or ranch¹
- ▣ Woman producer²
- ▣ Retiring/transitioning producer³

Operator #2

- ▣ Small farm or ranch¹
- ▣ Woman producer²
- ▣ Producer converting production and/or marketing systems to pursue new markets³

<\$50,000

Operator #1

Descriptions which fit:

- ▣ Small farm or ranch¹
- ▣ Woman producer²
- ▣ Retiring/transitioning producer³

Operator #2

- ▣ Small farm or ranch¹
- ▣ Woman producer²
- ▣ Retiring/transitioning producer³

>\$50,000

Operator #1

Descriptions which fit:

- ▣ Small farm or ranch¹
- ▣ Retiring/transitioning producer²
- ▣ Producer converting production and/or marketing systems to pursue new markets³

Operator #2

- ▣ Small farm or ranch¹
- ▣ Retiring/transitioning producer²
- ▣ Producer converting production and/or marketing systems to pursue new markets³

^{1,2,3} 1st, 2nd, and 3rd most common responses.

Questions?



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rural enterprises:

*Providing information to help practitioners become
more effective through information, tools, and
education.*



United States Department of Agriculture
National Institute of Food and Agriculture

Colorado
State
University
Cooperative
Extension

Putting Knowledge to Work



Agricultural
Resource Economics
THE UNIVERSITY OF ARIZONA

UNIVERSITY
OF WYOMING

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Western Center for
Risk Management Education

