Participants in the afternoon coaching session will probably have ideas for new ventures on their operations. They will likely have questions and concerns that they would like to talk over with you, as “Coach.” The goal will be to match participants with coaches that have knowledge about and/or experience with the type of operation in which they are interested.

The goal of this session is for participants to learn that “up fitting” a business plan for a particular farm situation sounds more intimidating that it really is. You, as the coach, will help participants brainstorm by posing questions in the five key task areas that follow:

1. Identify what’s important to you, your family, business partners, and anyone else with a vested interested in the operation. What are the values that bring each of you to the table?
2. Review the history of your operation, and look at your current situation. What do you really have?
3. Define your vision and identify goals for the future of your farm business. Your mission should match up with the values that you identified in the first task.
4. Develop a strategic plan for your farming operation – meaning, evaluate the marketing, operations, human resources, and financing alternatives that are available to you and analyze what fits best with your situation. This is just figuring out where you want to go – AND how you plan to get there!
5. Capture all of this work on paper by pulling everything together into a written business plan. Which routes do you plan to take, how will you check your progress, and who will help you get your plans into place?

Possible ideas for these tasks are outlined on the following pages. Participants will vary on their level of comfort, familiarity, and planning already in place for their venture. As the coach, you want to be able to provide examples if the participants get “stuck;” try to ask leading questions that require them to think through the possibilities in their minds. Included in the outline of key questions are reference pages that have been taken from Building a Sustainable Business. These pages contain worksheet examples that have already been completed by one of the farms in the book.
Coaching Guide: Question Outline

Identifying Values
- How does the participant plan to use their business plan? To secure financing, to help with estate planning within the family, to analyze the feasibility of a new or alternative product, for a start-up business for one of the children, etc? They should keep their purpose in mind throughout the entire process in order to create the most useful tool.
- What motivates the participant to plan for the future of his/her farm?
- Who should he/she include in their discussions? Who should he/she not include?
- What does the participant need in order to feel successful personally, financially, environmentally, in the community, etc? (Pg. 21)
- What values do the participants share with their children, in-laws, business partners, etc? (Pg. 23)

History (Pg 29)
- How long has this farm been in operation? In the participant’s family?
- Has the focus of production shifted through the years? If so, what activities has the farm stopped doing in recent years?
- Who have the key players been in the history of the farm?
- Has the participant’s family experienced any “disasters” in their farm’s history? If so, what did they learn?

Current Situation (pg 31)
- Marketing
  - What is/are the main product/s of this farm?
  - Who are the customers?
  - What unique features distinguish this farm’s products?
  - How are this farm’s products distributed?
  - How does the participant set prices for his/her products?
  - How does he/she promote their products?
  - Is the market changing for this farm’s products? If so, how?
- Operations
  - What assets do the participant own? (Pg. 40)
  - What are the participant’s costs for crops and livestock? (Pg. 42)
- Human Resources
  - Who is involved in the business of the participant’s farm? What roles does each person play?
  - Do any of these people have specialized skills? If so, what are those skills? (Pgs. 47, 49)
o Will there be any foreseeable changes in this farm’s labor? If so, when will someone enter or leave the operation? (Pgs. 47, 49)

o **Finances**
  o What are the participant’s current family living expenses?
  o What is this farm’s annual income? (Pg. 55)
  o What are liabilities for the participant’s farm? In other words, are there unpaid bills at the feed store or vet’s office? Does the participant have credit card debt, interest building on farm debt, or taxes that they owe? (Pgs. 56, 58)
  o What are the strengths, weaknesses, opportunities (to capitalize upon strengths), and threats (posed by weaknesses) to this participant’s farm? (Pg. 65)

**Vision, Mission, and Goals**

  o Based on the participant’s values, how does he/she envision the farm’s future? (Pgs. 89, 90)
  o What are the short-term, intermediate, and long-term goals for this farm? (Pg. 93)
  o Which goals are shared by the majority of interested parties? Are these the most important goals? (Pg. 95)

**Strategically Planning and Evaluating**

  o What are some realistic actions that illustrate how the participant plans to reach their goals?
  o **Marketing**
    o Who are the target customers for this farm and what do they value?
    o How much is the sales potential for the participant’s farm with current production markets (beef, corn)? With new production markets (value-added beef, organic corn, or others)? (Pg 111)
    o What products will this farm offer, and how are they unique? (Pg 113)
    o Who are the participant’s competitors in current markets? In potential markets?
    o How widely does the participant plan to distribute his/her products? Does he/she use an intermediary, such as a broker or a cooperative, to move their products? See pages 116 and 117 for more information. What are the possibilities of direct marketing the farm’s products? (Pg 120, 121)
    o How are the participant’s products packaged? Are they unique and recognizable? Do they indicate a brand?
o How does the participant set prices for his/her products? See page 123 for a description of various product pricing strategies.

o How does the participant plan to promote his/her products? Will he/she use coupons, publicity, samples, etc? (Pg. 128)

o How does this farm store its inventory? How is the quality of the products maintained in storage? (Pg. 132)

o **Operations**
  o What type of “system” will the participant use for managing farm enterprises? How will he/she keep track of production and ensure scheduled maintenance of the operation? (Pg. 145)
  o What are the regulatory issues that affect this farm, including zoning, permitting, licensing, etc?
  o What are the physical resource needs for this farm, such as land, labor, and capital?
  o How will the participant fill the gaps in physical resources? For example, will he/she try to use existing machinery and equipment more efficiently, or will he/she have to purchase additional resources?
  o How much will this farm be able to produce? What are the best and worse case scenarios for production? (Pg. 144)

o **Human Resources** (Pgs. 150-151)
  o What are the future workforce needs for the participant’s farm?
  o What skills will be required to fill those needs?
  o How will the participant fill workforce gaps?
  o How will the participant pay family workers, non-family workers, temporary workers, etc?
  o Who will manage the business? How will management decisions be shared with the entire workforce?

o **Finances**
  o What does the future business environment for this farm look like? How will the participant deal with risk? See page 156.
  o How will the participant legally organize and structure of his/her farm? See page 158 for legal organization options.
  o How will capital improvements/investments be financed? See pages 160 and 161 for descriptions of a few financing alternatives.
  o Will the new strategies that the participant considers be able to significantly increase net income from the farm? In other words, what is the profitability of each new strategy? (Pg. 170)
  o Will the new strategies help generate a sufficient cash flow to pay back debts? Will they lead to growth in the overall “worth” of the farm business?
What are the risks associated with the new strategies that the farm business and family will have to face?

How can the participant prepare for changing conditions both within and outside the farm business? For example, how will the participant deal with delayed income? Sinking market prices? Employees that quit or don’t perform as expected? Although no one can predict the future, a “contingency plan” – reality checks for the dream plan – will help the participant deal with events that may throw his/her plans off track.

Written Business Plan – Present, Implement, and Track

Again, how does the participant plan to use his/her business plan – to secure financing, to help with estate planning within the family, to analyze the feasibility of a new or alternative product, for a beginning farmer or a start-up business, etc? Depending on the purpose of the plan, various formats are appropriate; see pages 235 and 236 for descriptions.

Once the plan is captures on paper, the participant will need to keep track of his/her progress. He/she should create a “to-do” list for the entire farm, and it should include a description of the tasks, identify the responsible person, and set a deadline for completion. (Pg. 239)

As time passes, the participant may change his/her mind, need to respond to changing conditions, or may simply feel that a change in direction is appropriate for the family and the business. What is important to remember is that a business plan is only valuable if it is dynamic – meaning, it will only be useful to the participant if it is revisited often and updated to meet the needs of his/her farm.