

## Topic 8: Management Assessment

Ideally, management performance should be aligned with the demands associated with farm transition. This often means that some changes are required. For a lot of farmers, it is difficult to change the way they manage their businesses.

There is no one correct approach to making sure that the appropriate management practices are in place. External management advisors can help with identifying and implementing appropriate resources. But, ultimately, the primary responsibility rests with ownership and management.

From a transition perspective, the important question is: Will the management decision(s) you make get you to where you and the family need to be in the future?

### Why is this relevant?

The *Gaining Ground Agribusiness Assessment Workbook* categorizes management in five key areas: marketing, production (operations), human resources, finance, business structure and environmental responsibility. It is an excellent tool you can use to evaluate the management practices on your farm.

### How will this help transition planning?

1. The management assessment will identify areas of management that require some attention.
2. The assessment is used to proactively guide the development of action plans that are designed to achieve a successful transition.
3. It will help you to align management decisions with longer term objectives.
4. Discussion related to the management assessment gets everyone on the same page.

### Instructions

1. Everyone who is actively involved in the farm should complete this exercise.
2. Contact a MAFRD GO Office to get copies of the *Gaining Ground Agribusiness Assessment*.
3. Each family member should complete an assessment.
4. Review your assessments and look for management practices that show some room for improvement.
  - a. **Importantly**, review your management practices from a transition planning perspective.
5. Review your results with a MAFRD Business Development Specialist - Farm Management.

### How does this apply?

The exercise is designed to reveal the relative strengths and weaknesses in your management. It is used to identify potential challenges that may require some management attention — especially when you are in the transition planning process.



### PLANNING POINTERS:

- The assessment is made up of approximately 100 items. It should take about 30 minutes to complete.
- Review the assessment annually. This will help to keep a focused perspective on your management.
- You **do not** have to become skilled in every area.
- Other family members (often the succeeding generation) can develop skill sets in areas that require attention.
- Another option is to outsource resources for these areas.



### WHAT TO WATCH FOR:

- Expect to see some areas that require some attention. No one has the skill sets to be perfect in all areas of management.
- There will be some variation in the assessments between family members who complete the assessment. This is normal. Use the different opinions as a way to get some discussion going about the management of your farm.

## Next steps

Congratulations on completing this topic. You are now a step closer to having a transition plan for your farm. Please proceed to the next topic area on your Transition Plan, but don't forget to add any assigned tasks that were generated by working through this topic.

## Planning progress

