Results/Outcome Based Grant Making
“Begin with the End in Mind”

The Extension Risk Management Education Program
Investing in Improved Risk Management

Our Mission

• To help Farm and Ranch Families Succeed through Targeted Risk Management Education
Return on Investment

- The return on the investment of Extension Risk Management Education grant dollars we award are the risk management improvements that agricultural producers make because they participated in a project we supported.

- I.e., the risk management results/outcomes that agricultural producers achieve “are” the measure of success of any project we fund.
Process focused on Results/Outcomes

• The results based process, including the grant selection, reporting, and management system,
  – increases the probability that the programs we fund will in fact improve the risk management skills of the farmers and ranchers who participate,
  – is designed to improve, over time, the capacity and quality of the programs we fund, and
  – increases the opportunities to improve the risk management of the farm and ranch family participants.

Theory

• The theory behind the “Results Based” grant process is straightforward.
  – Improving the ability of agricultural producers to manage risk is the sole reason this program exists.
  – Base the grant award decision on whether the producer participants will achieve “risk management results” because they participated in the project.
  – Has the applicant made the case that producers who participate will make risk management gains because of the project.
Beyond Theory

• A “system” that adds value and keeps the focus on the risk management results for farm and ranch families.
• An online application, reporting, and verification process designed around risk management results.
• Always remember, at the core, it is about helping farm and ranch families improve their risk management.

Beginning with the “end” in mind!

• Begin with the end in mind
  – Determine **first** what the result/outcome is that the participants will achieve.
  – Design the program to lead the participants to those results/outcomes.
    • Do not wait till the end of the project to determine what the outcomes might be.
  – Begin and end the application and award process on whether producers will improve their ability to manage risk.
Keeping Producer “Results” at the Core

• A decision process that rewards applicants
  – who can clearly identify the risk management results the producers who participate will achieve, learn, or apply,
  – who can verify (measure) those results, and
  – whose applications convince the decision panel that the project they propose has a high probability that producers who participate will actually obtain the identified risk management results.

The On-line Application. . .

– Requires:
  • a clear identification of the risk management results the participants will achieve and how the project will deliver those results;
  • the applicant to identify how they will measure the “risk management results” the participants will achieve;
    – (A key to measuring any outcome is to figure out outcomes that are measureable, or some indicator of the outcome that is measurable.)
The Application also . . .

• Identifies:
  • why the farm and ranch family participants will “choose” to participate in the proposed program;
    — (Identifying the “prescribed need to know or do” is not enough. Producers must be willing to participate if they are to achieve the risk management results offered by the proposed project.)
  • “project steps” that give the panel reason to believe that the participants will make the risk management improvements proposed;
  • program resources including the team, collaborators, and “knowledgeable” presenters sufficient for the proposed results.

The Reporting System that . . .

– helps keep the focus on results,
– eases the burden of reporting,
– creates transparency,
– improves accountability,
– provides incentives for applicants to deliver the results they proposed,
– makes all projects and project resources available for the world to review,
– keeps moving the bar higher for the effectiveness of risk management education.
Broader Lessons

• Beginning with the end in mind by **identifying the desired measurable outcomes** at the **beginning** of any project, is one of the keys to successful outcome based programming.
  
  — Yes there are often unexpected results and the verification process should make allowances to capture those results.

Consistent with the Logic Model

• Our results based process is a simpler, kinder, program model, AND it is completely consistent with the Logic Model.

• Take the outcomes/impact portion of the Logic Model and move it to the beginning of the process, or start at the end of the logic model and work backwards to the beginning of the Logic Model.

  — Keep one’s focus on the outcomes and often assess whether progress towards those outcomes is being made.
University of Wisconsin-Extension, Program Development and Evaluation

Logic Model Simplified

INPUTS  

OUTPUTS  

OUTCOMES  

Logic Model modified to begin with the end in mind.

When implementing the program, keep focused on the “end”, the measurable outcomes. It is easy for the focus to let the materials, presentations, etc. (outputs) become the indicators of a program’s success.
Hierarchy of Results

• Our process includes a hierarchy of results that are constrained by
  – Twelve to eighteen month projects
    • Indicators that can lead to improved risk management which is the ultimate outcome we would hope to create but is difficult to determine within our project timeframe.
  – Accepted practice within extension farm management and marketing areas.

Hierarchy - weaker to stronger results

• **Understand** or have improved understanding, of the issue, tool, or need to act.
• **Decide** to take an action. Make a commitment to write a marketing or risk management plan for instance.
• **Develop** something that improves their risk management: like a marketing plan; business plan; risk management plan; transition plan; etc.
• **Implement** or take an action that improves their ability to manage risk: implement the marketing plan for instance.
Trying to keep the applicant in mind too . .

- Using a 2 step application process and asking for the minimum information required to make an informed decision conserves the most precious resource the applicant and the panel have, their time.
- The application is short enough that all panel members can read each application.
  – improves the decision making process.
- The application is designed to provide the necessary information for the panel to make an informed judgment.

Other Benefits of the Application Design

- The on-line application design and the results-based process provides all individuals and organizations with good ideas and experience working with producers on risk management, but limited grant writing experience, an improved opportunity to be successful.
In Summary

• The results are the risk management strategies and/or tools that ag producers learn, achieve, or apply because they participate in the project that lead to improved risk management.

• The application must provide the information that will convince the selection panel that producers will choose to participate and that the project participants have a reasonable chance of learning, achieving, or applying the risk management tools or strategies being taught in the project so that they can improve their risk management.

Legislative title

Partnerships for risk management education:

• Section 524 of the Federal Crop Insurance Act (7 U.S.C. 1524)

• “(A) Authority: The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall establish a program under which competitive grants are made to qualified public and private entities . . .

• . . . for the purpose of educating agricultural producers about the full range of risk management activities, including futures, options, agricultural trade options, crop insurance, cash forward contracting, debt reduction, production diversification, farm resources risk reduction, and other risk management strategies.”

(Funding is provided from the Federal Crop Insurance Fund via a mandatory appropriation)
System Components

- Online proposal submission
- Online project reporting
  - Progress reports
  - Final reports
- Public display of project results in the Ag Risk Education Library
System Components

• Secure database archives all projects

• Administrative functions let staff track and manage reports and proposals
<table>
<thead>
<tr>
<th>Topic</th>
<th>Producer action</th>
<th>Estimated Number</th>
<th>How will you verify?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor regulations</td>
<td>Understand</td>
<td>30</td>
<td>Written Evaluation</td>
</tr>
<tr>
<td>Risk and liability</td>
<td>Understand</td>
<td>50</td>
<td>Written Evaluation</td>
</tr>
<tr>
<td>Risk assessment</td>
<td>Written</td>
<td>25</td>
<td>Written Evaluation</td>
</tr>
<tr>
<td>Risk assessment</td>
<td>Written</td>
<td>35</td>
<td>Written Evaluation</td>
</tr>
<tr>
<td>Risk assessment</td>
<td>Written</td>
<td>35</td>
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<td>Written</td>
<td>35</td>
<td>Written Evaluation</td>
</tr>
</tbody>
</table>

**Extension Risk Management Education Results Verification System**

*Investing in Results!*

- New Grant Proposals / Pre-Proposals / Registration
  
- Grant Reporting

**VIEW PAST PROJECTS AT THE NATIONAL AG RISK EDUCATION LIBRARY**

North Central
- Risk Management Education Center Links
  
- Southern
### Results (Target):

<table>
<thead>
<tr>
<th>Topic</th>
<th>Produced action</th>
<th>Completed action</th>
<th>Actual number</th>
<th>Result verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete a written succession plan.</td>
<td>Transition and estate planning</td>
<td>Planning</td>
<td>35</td>
<td>Phone calls</td>
</tr>
<tr>
<td>Implement's succession plan through situations with following needs:assets, business structure changes, agreement at all affected family members.</td>
<td>Transition and estate planning</td>
<td>Planning</td>
<td>35</td>
<td>Phone calls</td>
</tr>
</tbody>
</table>

### Project Comments:

Describe any unexpected results of the project:

There is more interest in this topic than we originally thought. This is more difficult to get participants all the way through a succession plan. There was considerable angst about the idea of a 100-page document. A higher than expected number of those who completed the course did not translate into as much action as we had predicted. Intergenerational communication improved in cases where a succession plan was prepared. Simply committing to do the plan.

How would you improve the project if you were to do it again:

In our after-market telephone survey, we asked participants what we could have done to improve the project. We also asked, of those who did not complete the after-market survey, what would have helped them do so. Participants shared that if they could have used more direct, one-on-one assistance, or if a phone conference had been recorded and available for what they were asked to do, they would have completed the course. Those who considered the course had not done so at the time and would have an appointment to do the project if they were working with their family at the time of their visit.

Describe any other ways the project might be used:

For those who did reach the target, success was more when they found the curriculum interesting and relevant to problems they were representing. We had pointed a number of resources and asked them what would be useful when they modified our draft curriculum accordingly. If the quality of the one-on-one assistance they received was improved improvement and the quality of the one-on-one assistance they received was improved, the quality of the one-on-one assistance they received was improved.
A Regional Women in Agriculture Program
Award Amount: $35,417
Project Director: Laurie Nisbett
Email: laurien@siu.edu
University of Delaware Cooperative Extension

Advanced Topics in Veterinary Skills and Animal First Aid
Award Amount: $3,672
Project Director: Denise MGarrick
Phone: 970-353-3742
Email: BMarrick@ColoradoStateUniversity.edu
Colorado State University Cooperative Extension, Fort Collins

Advice from Farmers: Managing Human Risk for Maintaining and Sustaining Good Neighbor and Municipal Relations
Award Amount: $5,000
Project Director: David Farnum

PROJECT SUMMARY
This project addressed marketing and financial risks of western Massachusetts farmers by improving wholesale market readiness. The current supply of local farm products does not meet wholesale market demand in western Massachusetts and demand is growing. For example, 75% of 12 western Massachusetts institutional food service directors responding to a recent CISCA survey said they were interested in increasing or starting to buy local food.

The target audience for this project was western Massachusetts farmers interested in entering or expanding their participation in the wholesale market. While most of these farmers have developed multiple retail markets for their products, they have not fully explored, assessed and/or managed their roles in the wholesale market.

CREMIE funded the development and delivery of three workshops: 1) technical assistance to interested farmers and producers, and 2) a web-based introduction to workshop topics. 34 farmers attended the workshops and 20 farmers received 1:1 follow-up.

NUMBER OF PARTICIPANTS: 34

TOPICS COVERED
- Direct wholesale, and processing markets
### Western Mass Wholesale Market Readiness Education

**Award Amount:** $10,000

**Regional Center:** Northeast Center for Risk Management Education

**Start Program:** 2007

**Project Director:** Kelly Colman

**Email:** kcolman@uwmdc.org

**Community Advisor:** Sustainable Agriculture, Inc.

**Summary**

<table>
<thead>
<tr>
<th>Results/Task that will happen by end of project</th>
<th>Topic</th>
<th>Producer action</th>
<th>Proposed number</th>
<th>Actual number</th>
<th>How verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers will learn specific new skills for wholesale markets in three areas: building relationships, presentation and packaging, and financial record-keeping.</td>
<td>Marketing plans and strategies</td>
<td>Understand</td>
<td>30</td>
<td>34</td>
<td>workshop evaluation</td>
</tr>
<tr>
<td>Farmers will apply one or two new marketing risk management tools to their business.</td>
<td>Marketing plans and strategies</td>
<td>Implement</td>
<td>5</td>
<td>1</td>
<td>1 telephone survey</td>
</tr>
<tr>
<td>Farmers will apply one or two new financial risk management tools to their business.</td>
<td>Financial records and analysis</td>
<td>Implement</td>
<td>5</td>
<td>1</td>
<td>1 telephone survey</td>
</tr>
<tr>
<td>Farmers will generate new wholesale market accounts.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Project Steps**

<table>
<thead>
<tr>
<th>Project Step Description</th>
<th>Number</th>
<th>Date Measured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalize training schedule and list of trainers for workshops.</td>
<td>Not applicable</td>
<td>November 30, 2007</td>
</tr>
<tr>
<td>Design workshops, including training content, agenda, materials to be distributed, location.</td>
<td>Not applicable</td>
<td>November 30, 2007</td>
</tr>
<tr>
<td>Create and implement promotion plan to publicize workshops and technical assistance. Include target audience and media lists from all team members and collaborators.</td>
<td>Not applicable</td>
<td>March 30, 2008</td>
</tr>
<tr>
<td>Enroll participants in workshop series or individual workshops.</td>
<td></td>
<td>34 March 2009</td>
</tr>
<tr>
<td>Prepare and conduct workshop series.</td>
<td>Participants will attend workshops and activities participate in the workshops.</td>
<td>34 March 2009</td>
</tr>
</tbody>
</table>
Tools for Selling to Restaurants, Retailers and Institutions: Keys to a Successful Relationship

Name: USR (University of Southern California, R.N., M.S., A.A.S.)

Selling directly to restaurants, retailers and institutions can be a great way for farmers to expand their businesses and develop needed customer relationships. This tip sheet is designed to provide farmers with tools to reach out to and build relationships with direct wholesale purchasers.

Tools for Selling to Restaurants, Retailers and Institutions: Pricing and Invoicing

DESCRIBE ANY UNEXPECTED RESULTS OF THE PROJECT:

The first workshop in the series, which featured a panel of local food processors and business owners talking about relationship-building, ended up functioning as a wonderful networking opportunity for the farmers and for the customers. This wasn’t an entirely unexpected result, but we did hear about more connections that had been made as a result of the workshops than we had anticipated. Relaying on people within our community to share their expertise helped foster the networking function of the event.

Another unexpected result was the relevancy of the material to a wide range of market models. The workshop that focused on pricing, for example, provided farmers with tools to strengthen their direct retail markets in addition to building new wholesale relationships.

HOW WOULD YOU IMPROVE THE PROJECT IF YOU WERE TO DO IT AGAIN?

The critique we heard from participants was that they wished the workshops had been longer and that there had been more time during the question and answer period. The workshops began with dinner, so the presentations themselves were long and tiring. If we were to do this project again, we would provide more time for the panel discussion on relationship-building and divide the other two workshops up by topic. The workshop on pricing, invoicing, and record-keeping was especially dense and could easily have filled an entire morning workshop or been divided into multiple workshops.
Extension Risk Management Education Results Verification System

"Investing in Results!"

New Grant Proposals / Pre-Proposals / Registration

[Click Here]

Grant Reporting

[Click Here]

Trouble launching the site? Click on the page? Click here.

VIEW PAST PROJECTS AT THE NATIONAL AG RISK EDUCATION CENTER

North Central
Risk Management Education Center Links Norco

Southern

“Results First” Program Planning

Dave Goeller
Deputy Director
North Central Risk Management Education Center

AAEA
Milwaukee, Wisconsin
July 26, 2009
Farm Transfer & Estate Planning for Minnesota Farmers

Results that will happen by the end of the project

- Participants will state they better understand
  1. Intergenerational communication and goal setting
  2. Transfer concepts and strategies
  3. The importance of financial and tax planning
  4. Estate Planning strategies and the estate planning process
  5. The role life insurance, Power of Attorney and long term care planning have in the transfer and estate planning process

- Producer Action: Understand
- Proposed Number: 260
- Actual Number: 284
- How Verified: Session Evaluation
Farm Transfer & Estate Planning for Minnesota Farmers

Results that will happen after the project

1. Participants will have completed & began the implementation of a farm transition plan
2. Participants will have completed & implemented an estate plan that compliments their farm transition plan.

– Producer Action Implement & Develop
– Proposed Number 80
– Actual Number 172
– How Verified Mail out Survey
Western Mass Wholesale Market Readiness Education

Project Summary

“This project addresses marketing and financial risks of western Massachusetts farmers by improving wholesale market readiness. The current supply of local farm products does not meet wholesale market demand in western Massachusetts and demand is growing...”
Determine what the result/outcome is that the producer will achieve.
Beginning with the “end” in mind!

**Western Mass Wholesale Market Readiness Education**

Farmers will **learn** specific new skills for wholesale markets in three areas: building relationships, presentation and packaging, and financial record-keeping.”

Farmers will **generate** new wholesale market accounts.

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Applicants must describe how the results will be verified.

**Western Mass Wholesale Market Readiness Education**

- Online survey
- Telephone survey
- End of workshop survey
- Individual follow-up phone calls
- Face to Face check-ins
**Producer Demand**

The Application also identifies why the participants will choose to participate

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**Western Mass Wholesale Market Readiness Education**

“A 2006 survey of CISA Local Hero member farmers indicates that 62% (39) of those responding were interested in entering the wholesale market... These farmers are a likely audience for this project.”

“The farmers who answered the survey identified finding and maintaining relationships with wholesale buyers to be the biggest barrier to their participation in the market.”

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**Producer Demand**

The Application also identifies why the participants will choose to participate

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**Western Mass Wholesale Market Readiness Education**

“1:1 work with a small number of farmers who are already participating in wholesale markets indicates that other significant barriers to success in wholesale markets exist. These include the need for improved product packing, improved market analysis and pricing, and improved accounting and billing systems.”
Project Steps
The application also identifies how participants will make improvements

**Western Mass Wholesale Market Readiness Education**

<table>
<thead>
<tr>
<th>What Project Team Does</th>
<th>What Participant Does</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare and conduct workshop series.</td>
<td>Participants will attend workshops and actively participate in the workshops.</td>
</tr>
</tbody>
</table>

- **Provide workshop summaries and resource lists on CISA website.**
  - **Gain basic understanding of what additional information and skills they need to be successful in wholesale markets.**
### Project Steps

The application also identifies how participants will make improvements

**Western Mass Wholesale Market Readiness Education**

<table>
<thead>
<tr>
<th>What Project Team Does</th>
<th>What Participant Does</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide 1:1 follow-up support and technical assistance to farmers on marketing risk management tools.</td>
<td>Farmers will work with project team via face-to-face meetings, telephone, or email communications to determine if and how to apply marketing risk management tools to their business.</td>
</tr>
</tbody>
</table>

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### Project Steps

The application also identifies how participants will make improvements

**Western Mass Wholesale Market Readiness Education**

<table>
<thead>
<tr>
<th>What Project Team Does</th>
<th>What Participant Does</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide continued 1:1 technical assistance and follow-up support to project participants entering and expanding wholesale markets.</td>
<td>Use information learned and risk management practices adopted from participating in the project to secure new wholesale market accounts successfully.</td>
</tr>
</tbody>
</table>
Project Name/Number:  Gaining New Ground:  Arkansas Women in Agriculture Sub-State Regional Programming / RME-DPR02275

Project Summary:
Fifty women involved in row crop, livestock, poultry, fruit/vegetable and equine production attended (6 - 3 hr. or 2 – 8 hr.) workshops.

Topics included: risk management strategy, farm management, business planning, marketing planning and assessment, estate planning and transition, communication, financial record-keeping, women and money, retirement planning, crop insurance, health/life/disability insurance, internet resources/tools, and legal liabilities – all presented by highly qualified speakers.

Follow-up evaluations and assessment of changes were done via mail and e-mail.
Results – What Participants Learn, Achieve, Apply

<table>
<thead>
<tr>
<th>Results</th>
<th>Topic</th>
<th>Producer Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendees will improve marketing skills by understanding market analysis, outlook, and strategies.</td>
<td>Market Fundamentals</td>
<td>Understand</td>
</tr>
<tr>
<td>Attendees will execute new wills/trusts/estate plans.</td>
<td>Transition/Estate Planning</td>
<td>Implement</td>
</tr>
<tr>
<td>Attendees will gain a new understanding of financial records and analysis.</td>
<td>Financial Records and Analysis</td>
<td>Understand</td>
</tr>
<tr>
<td>Attendees will attain expertise in business plan development and execution.</td>
<td>Business and Strategic Planning</td>
<td>Understand</td>
</tr>
<tr>
<td>Attendees will develop and follow a marketing plan.</td>
<td>Marketing Plans and Strategies</td>
<td>Implement</td>
</tr>
</tbody>
</table>

Project Steps

<table>
<thead>
<tr>
<th>Project Steps</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project team meets with Annie’s Project trainers to gather more information and materials.</td>
<td>Aug. 2007</td>
</tr>
<tr>
<td>Conduct meeting of PD and core collaborators to design all survey instruments, determine final educational materials, outlines, and schedule including locations.</td>
<td>Aug. 2007</td>
</tr>
<tr>
<td>Complete all training modules (financial management, marketing, and estate planning).</td>
<td>Aug. 2007</td>
</tr>
<tr>
<td>Coordinate advertisement with media, site preparation and selection, copies of materials, outreach to former participants.</td>
<td>Sept. 2007</td>
</tr>
<tr>
<td>First Meeting held in Eastern AR beginning in Oct. 2007</td>
<td>Oct. 2007</td>
</tr>
<tr>
<td>Second Meeting held in Central AR beginning in Feb. 2008</td>
<td>Feb. 2008</td>
</tr>
<tr>
<td>Third Meeting held in Western AR beginning in July 2008</td>
<td>July 2008</td>
</tr>
</tbody>
</table>
Project Team re-convenes to review evaluations, checklists, outcomes of all three meetings. Project team contacts all participants by e-mail to learn of intended uses of educational content. **July 2008**

Project Team determines whether the project reached its goal of helping participants develop 30 new marketing plans. **July 2008**

Project Team determines whether the project reached its goal of helping participants develop 30 new marketing plans. **July 2008**

Evaluate project success post – meetings. **July 2008**

Six months after the project is completed, the PD will re-contact all participants to gain update on marketing plan/business plan status and to update estate planning activities. **Jan. 2009**

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**Examples of Project Success**

90% of participants said they had made changes in their operations.

| 43% - Management Plan | 38% Financial Record Keeping |
| 52% - Communication Plan | 14% - Insurance (health/life/disability) |
| 24% - Business Plan | 14% - Crop Insurance |
| 38% - Estate Plan | 29% - Marketing Strategies Used |
| 24% - Retirement Plan | 52% - Use of Internet Resources Highlighted |

In addition:

71% indicated that their marketing skills had improved as a result of the program;
62% had executed or began to execute estate planning documents;
76% indicated that they had learned the importance of having a business plan;
95% indicated a better understanding of legal issues facing their operation;
57% said they had developed a marketing plan.