**SWOT Analysis Farm Scenario**

The following information is designed to be an example of a small farm that is trying to diversify to remain sustainable and they need to conduct a SWOT analysis. Please read the example and conduct your own SWOT analysis for the Ryan family.

**Meet the Ryan Family**

The Ryan family has operated a dairy for over fifty years. Paul Ryan, now age 48, took over the dairy from his father twenty years ago. The dairy is average sized for his county; the Ryan's milk 60 cows, grow most of their own forage and grain, and raise their own heifers. The family withdraws about $38,000 from the farm business each year for living expenses. The dairy is located in a rural area, but urban and suburban areas are close by. The nearest city supports a population of nearly 100,000.

Margaret Ryan, age 42, is married to Paul, and they have three children, Jane, Hal and Susan. Margaret used to work on the farm, but for the last eight years she has been working full-time as an administrative assistant in the school district office. Take home pay from this job is $32,000, plus health, dental, and other benefits that extend to the whole family. Her farming responsibilities have decreased over the past eight years; at this point, she oversees the finances with Paul, occasionally milks, and manages the household.

Jane Ryan, age 21, has just received her bachelors' degree in culinary arts from the local community college. During the summers, Jane works full-time on the farm, with the milking. She is considering farming as an occupation, but would like to continue her work in value-added food production.

Hal Ryan, age 16, is in high school and works on the dairy with his father parttime during the school year, full-time during the summer. He is not interested in the dairy or in any type of farming and would rather attend a university where he may specialize in science, engineering, or economics.

Susan Ryan, age 12, is a middle school student who really enjoys the farm. She has a special job in the barn; taking care of the calves after school. She belongs to 4-H and has just begun to show an interest in helping with the crops, although she is too young to drive the tractor.

Grandma Jean Miller, age 64, is Margaret's mother. Since the death of her husband five years ago, Jean has lived with the Ryans in the farmhouse. She shares an interest in cooking with her granddaughter, Jane.

**Alternatives**

The Ryans are considering an alternative farm enterprise for several reasons. Additional income is needed to send their younger children to college and to save for retirement. Also, Paul and Margaret feel strongly that they would like Jane or Susan to take over the farm.
This means that, until they retire, the farm may have to support two families (Jane has no plans for marriage, but things could change). The Ryans are thinking about expanding the dairy to generate additional income, but Jane would rather be involved in a value-added (food product) enterprise. Paul and Margaret realize that changes in the farm may have to occur to satisfy the desires of the next generation and are willing to explore alternative farm enterprises with the family.

The family met to determine how each person felt about developing a new enterprise on the farm, and found that Jane and Grandma Jean are most excited about this idea. After they did an inventory of resources, they concluded that their main underutilized physical resources are a small piece of land, about five acres presently used to grow extra hay for sale, and a concrete block shed used to store bicycles and patio furniture. Their main underutilized marketing resource is the city 38 miles away. The Ryans also have good road frontage along a fairly well-traveled highway. Management and labor resources available year-round would come from Jane and Jean. High school students would be available primarily in the summer, as would Susan.

The family decided that Jane would generate enterprise ideas, although the others would offer opinions on the suitability of each. Jane had a long talk with Jean about possible food products that could be made using farm resources. She also spoke to some former professors and classmates, a farming neighbor she felt comfortable with, and the Extension economic development educator. She spent time looking through back issues of culinary and "country" magazines that both she and Jean receive, and spent an entire day walking through the city, visiting stores, restaurants, the downtown area, and malls.

Out of six ideas that Jane came up with (fruit pies, salsa, strawberry jelly, cheese, ice cream or yogurt), the idea that most family members liked was the cheese, which Jane and Jean thought could be marketed at a farm market stand or to the many fine hotels and restaurants in the city. They also discussed the idea of offering cheese making classes or other activities around cooking with cheese.

Your Task

Help the Ryans become more confident about this idea by doing a SWOT analysis for this project. Each person (or team) will look at one aspect (Strengths, Weaknesses, Opportunities, Threats) and answer questions pertaining to this idea. Then, the person/team will report back to the whole class about their thoughts. Use the grid and related questions to record your thoughts, and those of others as you report.

Source: Penn State Extension