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Evaluating a Farmer's Risk Tolerance

By *Katie L Wantoch*

Katie Wantoch shares a framework and quick quiz to encourage discussion about growers who work in partnerships. While this was written for FarmPulse: Crop Insurance & Grain Marketing program, the discussion framework is useful for facilitating discussions with marsh and business partners. [View this article in its original location at here.](#)

Different people have different levels of risk tolerance. Even farmers involved in a partnership or corporation may have different levels of tolerance for risk.

Whether a farmer is alone in their farm business or they are part of a partnership or corporation, it is important to understand the differences that may exist in each person's level of risk tolerance. Those differences translate to different approaches to managing or in some cases, totally avoiding risk.

To discover and gain an understanding of a farmer's own personal level of risk tolerance, they should complete the [Risk Tolerance Quiz](#). Each question should be answered without a great deal of thought. It should take no more than 10 minutes to complete this quiz. Once the risk tolerance quiz is completed, return to this article to learn more about the highest score. Read on to learn about each style of risk tolerance.

If your highest score was A, then you are an Avoider. Read on to learn more about your level of risk tolerance as an Avoider and/or how you can work with a person who is an Avoider if you have different levels of risk tolerance.

- Avoiders are extremely cautious about trying anything new and tend to be suspicious of anything that hasn't been proven and practiced for many years. They may make remarks about new practices or procedures that indicate their refusal to try them, such as "Don't fix it if it ain't broken," "Somebody tried that 20 years ago and it didn't work," "A lot of people lost money trying that," "I'm not risking my farm," and "Why change?"
- While Avoiders may sound pessimistic and negative in their comments, they are likely asking



questions to get information that will help them make decisions. It is important that they have the information and time to think things through and then ask more questions.

- Change is very difficult for Avoiders. They are risk-averse and are comfortable doing things that are proven and demonstrably low-risk. Avoiders may also fear that change will jeopardize their identity, farm, family, and community. Anything new could cause all of it to be lost. Anything that might threaten their business or owner equity position is suspect in their minds.
- Given enough sound information and evidence from those who have successfully experienced risk, Avoiders will cautiously try new things. It is important to help them understand that staying the same may itself be risky and lead to negative outcomes for their farm. It will take time and patience to convince this group to try new things.
- Avoiders can be quiet and reserved, and so much probing may be needed to determine how they feel about a situation. Others might misinterpret what Avoiders are thinking because they do not outwardly show emotions or gestures. Their comments are often only one or two words and can again be misinterpreted as negative when they only want more information.

If your highest score was B, then you are a Daredevil. Read on to learn more about your level of risk tolerance as a Daredevil and/or how you can work with a person who is a Daredevil if you have different levels of risk tolerance.

- Daredevils are masters at making quick decisions. If someone even hints that a new idea might be successful, they will give it a try. This style particularly likes to have fun with risk-taking. They are spontaneous and can change direction in the wink of an eye. They may not want to keep doing things the “same old way” because it becomes somewhat boring.
- The Daredevil tends to do more gambling in the area of risk and will go for broke in their risk-taking. In fact, they may even take unnecessary illogical risks simply to be different. They have enduring optimism that they can accomplish much in a short period of time. One of their favorite sayings may be that “The difficult may take time, but the impossible only takes a day more.”
- Daredevils have a great ability to figure things out and solve crisis situations. Thus, their tendency for risk is higher than any of the other styles. This ability to solve problems caused by excessive risk taking, however, might lead them to failure. By combining their unusual capacity for risk-taking and their ability to solve crises with practical, realistic goals, this style can mitigate their risk successfully.
- Daredevils are the early adopters of practices and procedures in agriculture. Even though Daredevils may have many unfinished projects on their farm, they are still willing to try practical and realistic new things. Their ability to endure hardship to make success happen means they will not give up in trying to be successful. With proper information and some structure, Daredevils can be very successful at implementing new things in agriculture.

If your highest score was C, then you are an Adventurer. Read on to learn more about your level of risk tolerance as an Adventurer and/or how you can work with a person who is an Adventurer if you have different levels of risk tolerance.

- Adventurers enjoy taking risks, but they like to have all the answers (or, at least, most of them) up front. They are the innovators in agriculture because they have a great ability to envision the future. As visionaries, adventurers study, collect information, and then plunge into the new endeavor or practice. They may become convinced that the direction they are going is the right one.
- Adventurers have a natural ability to conceptualize new plans and then put them into action. Like the Daredevil, they enjoy the fun of risk. The difference is that this style takes the time to study the situation carefully before plunging into something new. They may develop an entirely new risk

management procedure or try something that has never been tried before.

- Adventurers like to be the first to try something new. It gives them a real sense of accomplishment to successfully implement something different, occasionally with a style that sets them apart from the rest. Adventurers are intellectual risk takers because they plan and strategize before diving into something new.

If your highest score was D, then you are a Calculator. Read on to learn more about your level of risk tolerance as an Calculator and/or how you can work with a person who is an Calculator if you have different levels of risk tolerance.

- Calculators are somewhat conservative risk-takers but are willing to learn. They recognize that risk is necessary, but it is important to change in a calculated way to keep risks low. This style tries to find out all the answers before jumping into something new or different. Their decisions always take into consideration their family and community. They also have a great desire to sustain and maintain agriculture in their community.
- Calculators are very good at making decisions and do it with a great deal of structure. They value the equity developed in their farm but also want to improve their position. This group does not gamble much, preferring to develop and implement a plan. They are willing to build some risk into their planning process and may even view it as a positive part of their management.
- Procedures for handling risk are important to Calculators. They feel they have a duty to help others in their community understand the value of risk management and new ways to improve. Calculators are industrious and busy in their quest to improve their situation while also conserving resources. In the risk management area, this style serves as the stabilizer. Calculators are both socially responsible and considerate of their business in their actions.
- Calculators tend to be structured, organized, and timely in getting things done. Following a routine is not difficult. Recognizing practical and realistic solutions to risk management is an important strength in this style. They know how to make systems work and how to make change happen when they are convinced that change is good.

Summary

Understanding how a farmer's own risk preferences and that of others affect the risk management decisions made for the farm business is important. Farmers should review their risk styles and how their style might be different from others in their farm partnership or corporation. These farmers should consider how these differences come across when they are managing risk.

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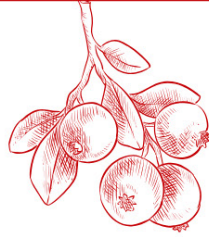
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Weed of the Week

WEED OF THE WEEK

CUSCUTA GRONOVII

Swamp Dodder



Photos from Weeds of the Cranberry Marsh.

life cycle / growth habit:
annual parasitic vine



vine detail

root:
N/A



vining habit

stem:

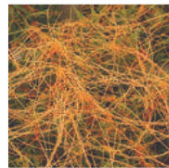
yellow to orange, twining over and attaching to host plant with pad-like haustoria, which pull nutrients from host

leaf:

none, unable to photosynthesize significantly

flower:

white to yellowish, 1/8 in. across, with five petals; blooms July–October



twining in cranberry bed

fruit/seed:
N/A

habitat:

moist meadows and thickets, attacking a variety of host plants including cranberry

By Allison Jonjak, Jed Colquhoun, Teryl Roper, and Josh Sulman

Highlighting one popular (or unpopular) weed from the classic book [Weeds of the Cranberry Marsh: Jed Colquhoun, Teryl Roper, Josh Sulman. ©2009 by the Wisconsin Cranberry Board, Inc.](#)

This week, Swamp Dodder. Pam Verhulst of Lady Bug IMP sent in some additional photos of this unmistakable parasitic weed, so we decided to feature it.

[Download the full page infographic.](#)

A Letter From Christelle Guédot

By Christelle Guédot



Dear Fruit Growers,

I hope this letter finds you well. I am writing to inform you of an important change in my professional responsibilities that will affect our ongoing relationship. After much consideration and discussion with my Department, the College of Agriculture and Life Sciences, and the Division of Extension, my position has changed: I will no longer be an extension specialist and instead will take on more responsibilities in research and instruction.

This decision was not made lightly and came with a heavy heart as I have greatly enjoyed, over the past 12 years, working alongside you, sharing knowledge and learning from you, and collaborating with many of you to improve management strategies for insect pests in fruit production in Wisconsin and beyond. The relationships we have built and the progress we have made together to find solutions to the entomological challenges we face in fruit production have been incredibly rewarding to me, my career, and my professional development. I believe that dedicating more time to research will allow me to contribute to the entomological field in a different but hopefully impactful way to your industries and I will continue to work with many of you to find alternative management strategies.

My new role will involve research focused on chemical and behavioral ecology and integrated pest management of insect pests and I intend to continue addressing pest issues in fruit production. I also plan to continue extending my lab's research findings that can benefit Wisconsin industries at grower events. Additionally, I will be teaching and mentoring the next generation of entomologists on integrated pest management and pollinators to ensure students are well-equipped to support and advance the field in the future.

I understand that this transition may raise concerns about the continuity of support you have come to rely on, and I wanted to let you know that the Department of Entomology will be starting the search for a new Fruit Crop Entomologist and Extension Specialist this Fall. In the meantime, please contact your local extension offices with questions as they will be able to provide you with the resources and assistance you may need.

Thank you for your understanding and for the trust you have placed in me over the years. It has been an honor to work alongside such a dedicated and innovative community of growers. I am confident that through continued collaboration and with the support of my wonderful fruit lady colleagues, we will continue to provide great leadership in the field of fruit production. Should you have any questions, concerns, or need further information about my change in appointment, please do not hesitate to reach out to the Division of Extension leadership.

Wishing you all the best and happy growing season to all of you!

Christelle Guédot, Associate Professor
Department of Entomology
University of Wisconsin - Madison
Madison, WI 53706

Grower Updates

Flying Dollar Cranberry

By Seth Rice

Hello everybody! Most if not all growers here have said goodbye until next year for our honey bees. The big question is our fertilizer plans for this year. It's going to be tricky to see how much NPK we can put on without making a roller coaster ride of this year's crop. New plantings are going well even with some growers having to plant late, fighting Mother Nature. As usual it's going to be interesting and never a dull day growing cranberries!

Vilas 51

By Jeremiah Mabie

Hello everyone, I hope that you were all able to enjoy some time with family over the 4th of July weekend! We finally got some decent sunshine and warmer temperatures to get things moving along. Blossom come on fast and heavy and then just seem to park there for a week, there are few stranglers hanging on in Stevens beds but that's about it. Booms have been out and busy applying fertilizer. Overall crop looks pretty good up this way this year. We have gotten hit with a few hail storms but luckily nothing to horrible, and we have been getting lucky with not much bug pressure too. Overall it has been a pretty decent growing season so far, let's just hope mother nature stays on our side and keeps giving us decent weather to size them berries up!



Update from the Wisconsin Cranberry Research Station

By Wade Brockman

New shop is almost complete with the anticipation of getting in it by August 1st. Crop is looking great which surprises me with the weather we had during bloom. Now bring on the heat!



WCRS Update: Beth Workmaster Retirement

By Grant Holley

We would like to wish Beth Workmaster a much-deserved retirement from the University of Wisconsin-Madison as well as the Wisconsin Cranberry Research and Education Station. For almost 2 years Beth has helped our research station grow from its infancy to being well on its way as a first-class research station that is an incredible conglomeration of marsh, lab, and classroom. While you could always see the light in Beth's eyes as she spoke about the research being performed everyone should understand that it was the growers and our industry that provided that light. Her dedication to better understanding all of the chemical and biological factors of a Wisconsin cranberry marsh has only helped each and every individual plan more effectively, spend less on resources, and be better prepared for tomorrow. We will miss you Beth and thank you for all that you have done.

