



CONTROL IN REAL TIME Questions

These questions focus on the importance of tracking farm performance in real time to maintain control of the budget.

1. Why can it be difficult to stick to a budget on a farm?
2. What does FARMAX help farmers to do when it comes to managing their finances?
3. How is FARMAX different from other financial tools that look at past performance?
4. What kind of information can farmers input into FARMAX to predict how their season will go?
5. How does FARMAX help farmers when they face unexpected challenges, like bad weather or extra costs?
6. Why is it important for farmers to be able to look ahead and predict the impact of their decisions on their finances?
7. How can FARMAX help farmers understand the environmental impact of their farming decisions?
8. What is the Dairy Systems Monitoring (DSM) tool, and how does it help farmers track performance throughout the season?
9. Why is it helpful for farmers to compare their performance to other farms during the season?
10. What role do farm consultants play when using tools like FARMAX and other DSM?
11. Why is it important for farmers to keep track of things like pasture growth and environmental footprint?
12. How can the data from FARMAX and DSM be shared with other people, like dairy companies or councils?
13. What skills do farmers need to make the most of tools like FARMAX and DSM?
14. What happens if a farmer decides to remove cows from their farm, according to FARMAX? How does this affect their milk production, profit, and emissions?

CONTROL IN REAL TIME



Financial literacy can become complicated with a biological business-like dairy farming, with so many moving parts which can influence the year's profit. Tracking farm performance in real time is key to keeping control of the budget.

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When your income isn't fixed, and it fluctuates, it can be challenging to have a handle on your finances mid-season and predict where you are going to land.

Keeping to a budget with a biological farm business, which is directly influenced by weather, can be difficult and farmers need more information at hand to keep financial control.

tools out there, but they are based on the past, what happened last season."

As an example, Southland farmers who have had a terrible spring this year would be able to input their lower pasture covers, account for extra supplement they've used, their unexpected costs, and the model will show what their new expected production is and how to budget around it.

'Farmers need to be able to run different scenarios, and know what the outcome is on their farm, their finances, and now their greenhouse gas profile.'

FARMAX is a modelling and decision support tool that can help farmers accurately predict the impacts of the business decisions they make during the season.

When it comes to improving financial literacy, it allows farmers to act in real time and look ahead at what decisions they make today will do to their bottom line for the season, FarmIQ B2B channel specialist Craig Trotter says.

"It allows farmers to look through the windscreen instead of the rearview mirror. There are a lot of financial benchmarking

Layering emissions outcomes across a farm management plan also requires a new skill of financial literacy. Farmers now want the ability to model various scenarios on their farm operation to factor in environmental outcomes that work alongside financial performance, Craig says.

"Farmers need to be able to run different scenarios, and know what the outcome is on their farm, their finances, and now their greenhouse gas profile. For example, if they drop 50 cows out of the system, what happens to their

milk production, to their profit and their emissions intensity?"

Having the ability to track farm performance and benchmark against other farms throughout the season is of huge value, Macfarlane Rural Business farm consultant Jeremy Savage says.

FARMAX's Dairy Systems Monitoring (DSM) is the tool Jeremy, and his colleagues use to help their clients not only analyse their past performance, but see what performance could look like in the months ahead.

"We get 50% of the value from being able to review farm performance through the season and benchmark against farms. The other 50% is strategy – have we got the right farm system? We can see what the top-performing farms are doing in the area and ask, 'How do we do that?'"

The bonus of DSM is it has all the farm records, from pasture growth to environmental footprint, so farmers can use the data to create reports to share with ownership structures, councils, dairy companies, etc., Jeremy says.

The DSM tool does take a bit of driving and wisdom to interpret the data, so having a skilled farm consultant onboard is key, he says. ●

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