

**Each team will complete and turn in only one copy of these pages.
Other copies can be used to make notes and calculations**

**2011 National FFA Farm Business Management
Career Development Event
Team Activity**

Expectations:

The team activity evaluates the ability of a team's members to work together to use decision making and problem analysis skills while applying economic principles and concepts taught in farm business management.

Evaluation:

The team activity portion is evaluated as follows:

- involve all members of the team
- organize the team effort
- communicate with each other in resolving issues relating to the current situation
- reach consensus and agreement
- complete the analysis of possible alternatives and solutions
- communicate and submit in writing the team's consensus of the SWOT analysis and SWOT recommendations outlined below

Problem to be evaluated: As a team, discuss the current situation of the Redrock Ranch business and relate your analysis to the strengths, weaknesses, opportunities, and threats of the business to that situation. Add your recommendations for those same areas and conclude with the identification of primary strengths, weaknesses, opportunities, and threats.

Analyzing the Redrock Ranch business: As a team, critically evaluate what the business is achieving now and considerations for the future. One way to complete this analysis is called the **SWOT** analysis. SWOT stands for **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats. By using the SWOT method, a farm business can enhance its short and long term business stability, profitability, and potential for growth. For each strength, weakness, opportunity, and threat, the team should consider and list three items for the owner/operator/management to consider for their ranch. A brief explanation of each part of the SWOT method follows:

Strengths – The activities the ranch business does the best. They are likely to be what the ranch business is achieving, as well or better, than similar businesses, or when compared to an accepted standard.

Weaknesses – The activities the ranch business could improve upon or what they do not do as well as similar business operations or when compared to an accepted standard.

Opportunities (alternatives) – Practices the business could add or improve upon if management or operational changes were made.

Threats (constraints) – The factors limiting the ability of the business to achieve long term goals and increased profitability

Part 1 Strengths: (List three)

Current Situation (12 points)	Rationale (reason(s) why each item is a strength) (24 points)

Part 2 Weaknesses: (List three)

Current Situation (12 points)	Rationale (reason(s) why each item is a weakness) (24 points)

Part 3 Opportunities: (List three)

Current Situation (12 points)	Rationale (reason(s) why each item is an opportunity) (24 points)

Part 4 Threats: (List three)

Current Situation (12 points)	Rationale (reason(s) why each item is a threat) (24 points)

Part 5: Using the Strengths, Weaknesses, Opportunities, and Threats you entered on the previous pages, prepare recommendations for each of the statements listed below. Consider why you selected the items listed previously and identify how the Redrock Ranch LLC can use those items to enhance or protect the business. Use the resource information as needed to assist with your recommendations. (28 points – 7 points each)

1. How would you build on the identified strengths?

2. What steps would you take to limit vulnerability for the business based on the identified weaknesses?

Part 5 (Cont.): Using the Strengths, Weaknesses, Opportunities, and Threats you entered on the previous pages, prepare recommendations for each of the statements listed below. Consider why you selected the items listed previously and identify how the Redrock Ranch LLC can use those items to enhance or protect the business. Use the resource information as needed to assist with your recommendations. (28 points – 7 points each)

3. How would you build on the identified opportunities?

4. What would you do to protect the business against the identified threats?

Part 6: You have identified three Strengths, Weaknesses, Opportunities, and Threats for this business, and you have recommendations to the owners in each of these areas. Using your knowledge of the business and the appropriate Resource Information, identify the primary or key factor for each of the SWOT analysis areas. After choosing the factor for each area, provide rationale for **why** this factor is primary or key to the business.

For this exercise, the topic area selected is “Business Transition”. Identify and defend **why** the Strength, Weakness, Opportunity, and Threat are the most important for this business.

Primary Factor (8 points)	Rationale (defend your choice of the primary factor) (20 points)
Strength:	
Weakness:	
Opportunity:	
Threat:	