

TRACTION AG



FIVE LEVELS OF FARM FINANCIAL MATURITY

Where Do You Stand?

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**TRACTION AG
CUSTOMER ENABLEMENT
MANAGER**



What is the single most important thing
I've learned in my role at Traction in
talking to hundreds of farmers annually
about their financials?



Farm financial management isn't an all-or-nothing game

IT'S A PROGRESSION



**Those who play this
game best are
constantly striving to
improve**



MOST FARMS START WITH THE BASICS

Pulling receipts together for taxes



AT THE HIGHEST LEVEL

Decision making is proactive and powered by financial systems, helping farmers make smarter, faster, and more profitable choices year-round

So, where does your farm stand today?

**AND MORE
IMPORTANTLY,
WHAT'S THE NEXT
STEP TO LEVEL UP?**



FIVE LEVELS OF FARM FINANCIAL MATURITY

Here's what we've learned from working with farmers across the country:

BASIC RECORDKEEPING

LEVEL ONE



Where you are now:



You track revenue and expenses, but only to get through tax season



Your records might be spread across spreadsheets, notebooks, and bank statements



You rely on your accountant to make sense of it all at year-end

What's holding you back:



Your numbers aren't helping you make decisions, they just help you file taxes



You have no visibility into profitability throughout the year



It's hard to secure financing because your records aren't structured



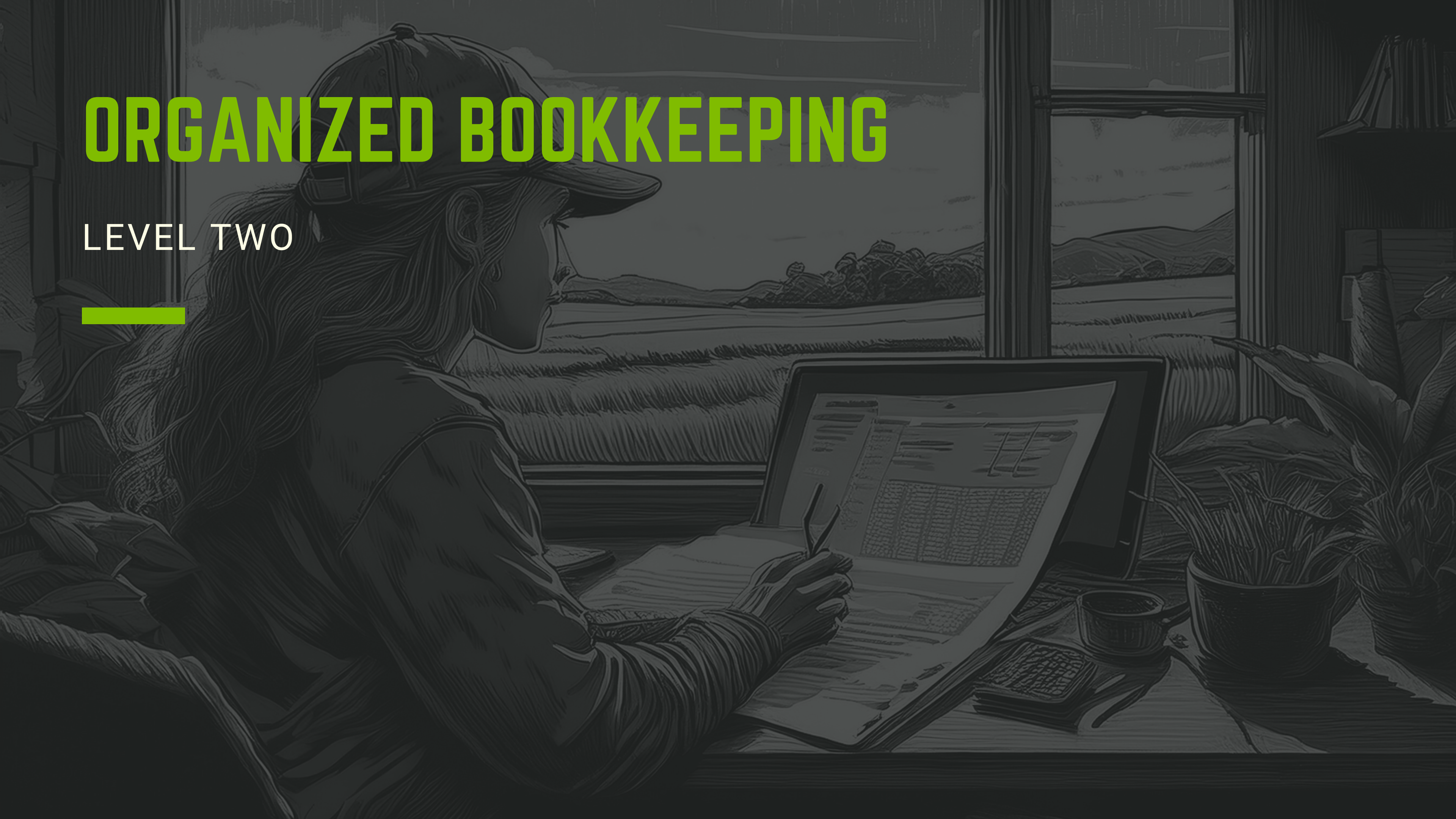
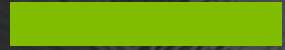
YOUR NEXT STEP

ORGANIZED BOOKKEEPING

Move beyond tax prep. Centralize revenue and expenses in a single system and start reviewing reports throughout the year.

ORGANIZED BOOKKEEPING

LEVEL TWO



Where you are now:



You keep all expenses and revenues in one place and can generate a cash-basis income statement



You build a rough budget (probably in spreadsheets) to plan for the next year



You have a basic average cost per bushel (total expenses ÷ total bushels produced)

What's holding you back:



You don't track financials in real-time, so decisions are still based on gut feel



Your budget is static, and you don't measure actual vs. planned cash flows



Your cost per bushel is just an average, not crop or field-specific



YOUR NEXT STEP

INTEGRATED ACCOUNTING

Start budgeting at a crop-year level and track planned vs. actual cash flow monthly.

INTEGRATED ACCOUNTING

LEVEL THREE



Where you are now:



You generate an accrual-based crop year income statement



Revenue and expenses are tied back to fields, giving you a true cost of production per bushel



You set budgets and track variance monthly, comparing planned vs. actual cashflows

What's holding you back:



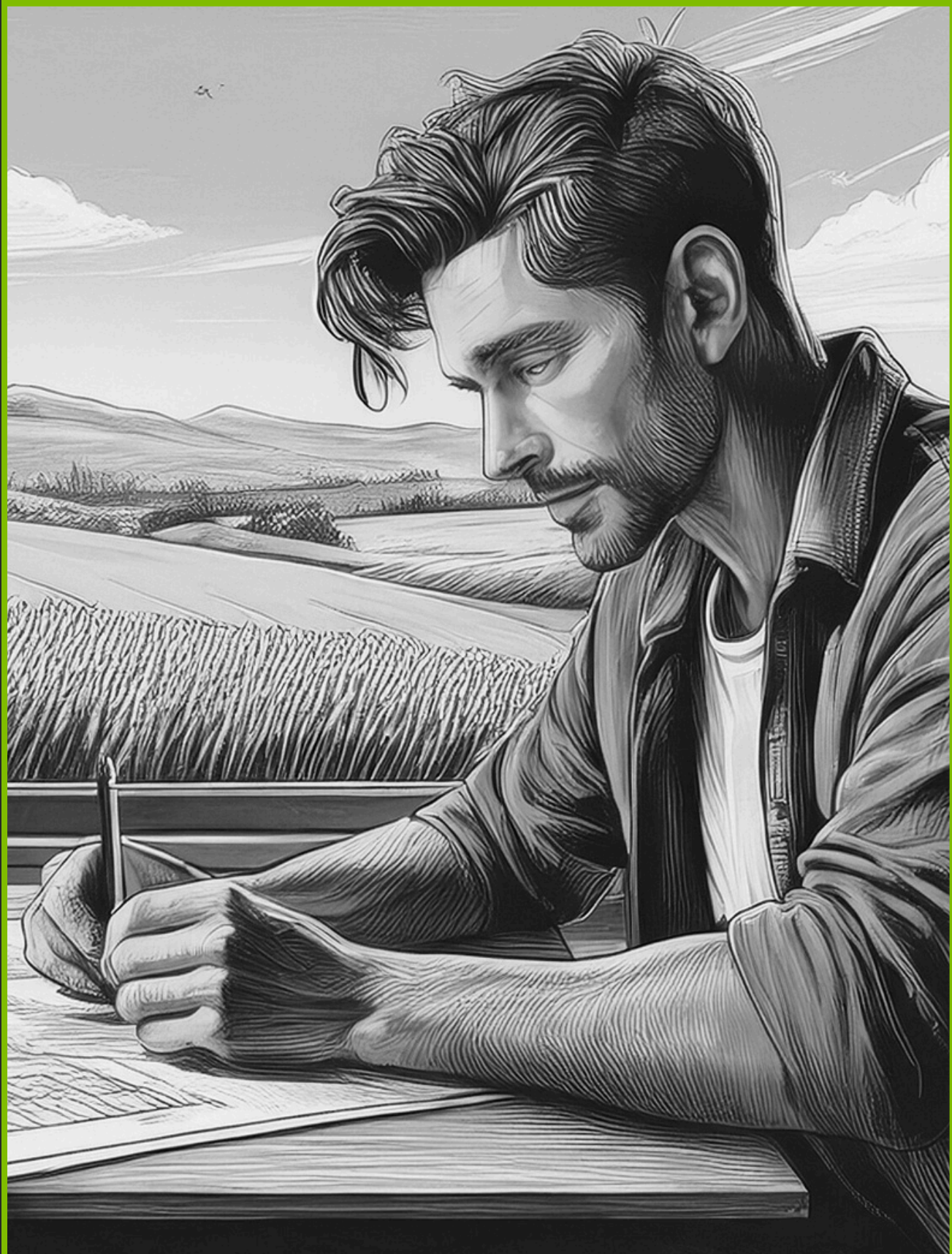
You're tracking finances, but not fully using them to optimize decisions



Pulling reports and analyzing variance still takes manual effort



You're getting closer to proactive decision making, but still reacting more than planning



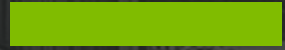
YOUR NEXT STEP

PROACTIVE DECISION MAKING

Use past financial data to drive real-time marketing, purchasing, and investment decisions.

PROACTIVE DECISION MAKING

LEVEL FOUR



Where you are now:



You use historical financials to inform decisions about the future



You understand incremental costs and unit economics so you know what moves will improve profitability



Your decision making extends beyond the season, you're buying and selling year-round, capitalizing on opportunities

What's holding you back:



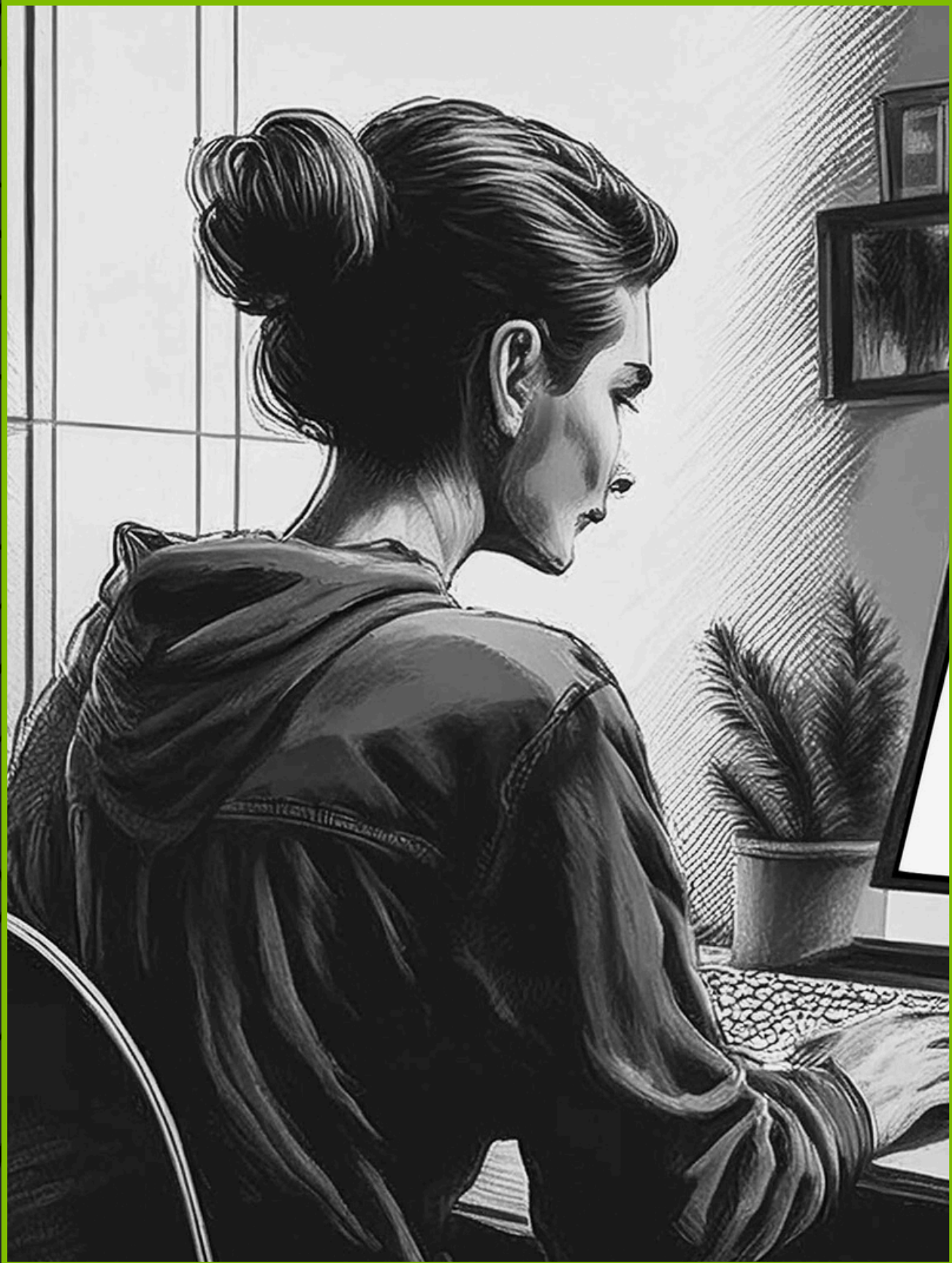
Your financial workflow isn't automated, and you still spend time running reports and calculations



While your decisions are data-driven, they still require too much manual effort



There's room for optimization... your financial system helps you, but it's not yet fully working for you



YOUR NEXT STEP

SYSTEM-DRIVEN FINANCIAL MANAGEMENT

Automate your financial processes to focus on strategy, not crunching numbers.

SYSTEM-DRIVEN FINANCIAL MANAGEMENT

LEVEL FIVE



Where you are now:



Your financial framework automates most decision-making, removing emotion from the equation



You are ratio and benchmark driven, using comprehensive scenario planning to guide farm strategy



You constantly measure, optimize, and improve workflows, ensuring the operation is scalable and risk-resistant

What it feels like at this level:



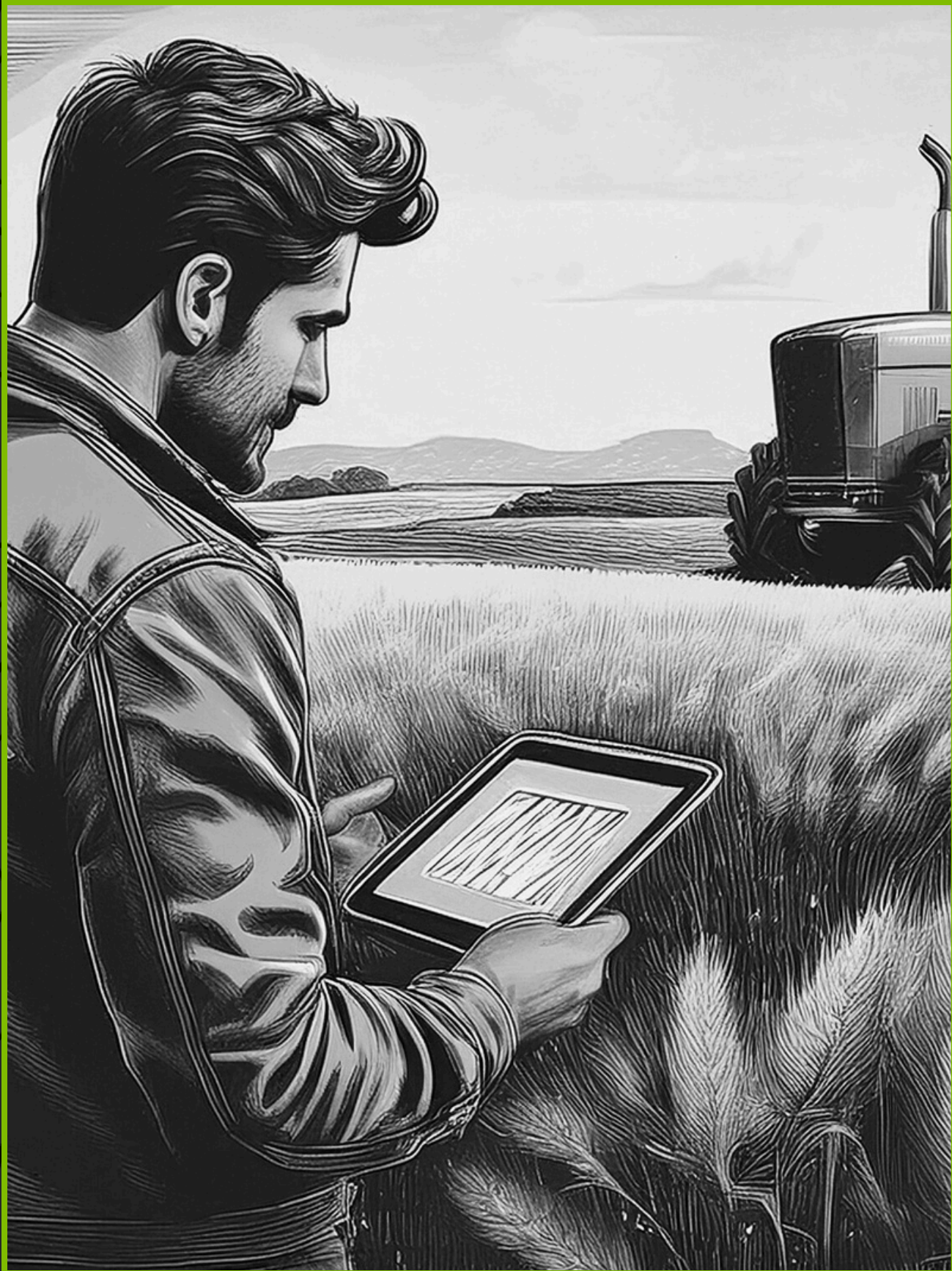
Your farm's financial system works for you, not the other way around



You're always prepared for financing, tax prep, and strategic decisions



You spend more time focusing on growth, risk management, and new income opportunities



DON'T GET STUCK AT LEVEL 2 OR 3

[Start a Free Trial](#)



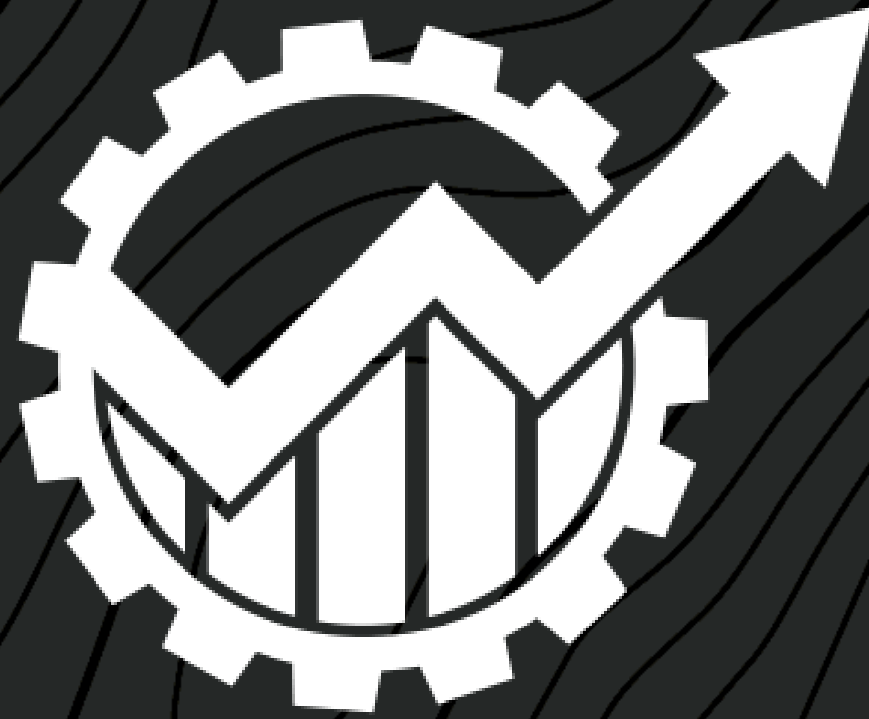
AUTHOR

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Specializing in onboarding new customers, Taryn helps farmers get the most out of Traction Ag. Based in Central Kansas, she brings five years of public accounting expertise, where she worked closely with farmers on tax planning and preparation, analyzing and interpreting financial reports, and managing payroll. Additionally, she has four years of experience at the cooperative level.

Outside of work, Taryn, her husband Logan, and three dogs help manage the family farm in Little River, Kansas. She blends a deep understanding of agriculture and finance with a commitment to customer success.



TRACTIONTM