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**Rural Industries Research and  
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**RIRDC Rural Women's Award 2014**

# **Positive Farming Footprints**

**Healthy Minds, Healthy Families, Healthy Farms**

by Ms Pip W. Job

August 2015

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### *Positive Farming Footprints*

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# About the Author

Pip Job is a grazier from the central west of New South Wales (NSW), where she has had a lengthy career as a business owner, beef cattle breeder, land manager alongside employment with one of Australia's premier Landcare organisations, Little River Landcare. Pip is a mother to two young boys and is a passionate volunteer to an array of community and industry organisations.

Pip has spent her life living in small rural communities and has worked alongside farming families to encourage their adoption of sustainable business and agricultural practices as the Education Manager of the Little River Landcare Group. More recently, Pip spent 3 years as the organisations Chief Executive Officer where she refined her governance and strategic leadership skills. Pip presently works for the NSW Department of Primary Industries as a Project Manager for Education.

Pip is a Director of the Central Tablelands Local Land Services and Landcare NSW Inc. and is a member of the NSW Primary Industries Ministerial Advisory Council.

In 2014, Pip was awarded the 2014 NSW/Act RIRDC Rural Woman of the Year and was further awarded the 2014 RIRDC National Rural Women of the Year. Pip was recognised in the 2014 Emerald Grain Fairfax Media 100 Agricultural Women of Influence and in 2015 was inducted into the Australian Business Women's Hall of Fame.

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# Abbreviations

RIRDC	Rural Industries Research & Development Corporation
DPI	New South Wales Department of Primary Industries.
EF	Enterprise Facilitation
ToM	Trinity of Management
HM	Holistic Management
BEC	Business Enterprise Centre

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# 1. Introduction

Family farming businesses are complex business models. They require the simultaneous management of the challenges in agriculture, the economy, societal and generational differences, technology and changing climate. These challenges are intertwined with the dynamics of family and business which add a complex overlay.

The social, human and cultural capital systems existing in a farming family have a significant impact on the businesses' capacity to achieve, be sustainable and resilient. Often these soft system capitals are over looked, or all too often, consciously or subconsciously put to the side due to their complexity difficulty and the lack of knowledge or confidence to identify and strengthen what I refer to as 'social barriers to progress'.

Over the last 10 years, whilst working with the Little River Landcare Group in the central west of NSW, I observed the impact of unaddressed social barriers. For many years I was frustrated by the lack of adoption post-delivery of capacity building initiatives, or those who reverted to past practice despite making significant investment into new systems.

## **Social Barriers to Progress**

In 2010, I had a revelation after observing a family in my region who had spent in excess of \$80,000 with a consulting company to assist them develop a sustainable model of management.. A member of the family became suicidal which came as a shock. Within months, the family had all but completely reverted to former practices in the way they managed their landscape, enterprise mix and in particular, the dumping of their newly learnt decision making framework and financial management.

Despite the fact that their son had been suffering from untreated and unrecognised depression for many years prior, the family was not capable of dealing with the stress of the situation, alongside their transition and process of change in the way the managed their business. I recognised if a family was either unconsciously aware of their potential social' logjams', or consciously aware but unwilling to confront them (in a position of ambivalence) they had a major social barrier to progress. Barriers to progress will continue to inhibit a family's ability to adopt best practice, drive innovation, or engage in sustainable methods of production or natural resource management.

The 'Positive Farming Footprints' project has been exploring the concept of social barriers to progress and the tools, resources and programs being used by professionals working directly with farming families around the world.

Social barriers to progress act like 'logjams'. Unintentionally, over time, the 'logjam' builds up one log at a time until, at a given point in time, the logjam has enough force behind it to either spill over the edges, or burst creating unintended consequences.

There are a range of social barriers to progress and as every family is unique the complexity of challenges will be dynamic and almost always, never static. The challenge is being able to identify these challenges and being aware of their existence and making an allocation of time, energy and resources to manage them. This form of risk mitigation should be an ongoing conscious process to develop a resilient culture within the family and business.

I have identified 'social barriers to progress' as clusters:

- Business Acumen
  - Vision and purpose
  - Strategic thinking
  - Decision making
  - Monitoring and continuous improvement

- Passion Alignment
- Cultural Capital
  - Leadership
  - Work Life Balance
  - Family communication
  - Attitude towards education and capacity building
- Mental Wellbeing
  - Isolation
  - Mental health
- Succession Planning

## 2. Objectives

The objectives of the project were to:

1. Undertake a study tour looking at the Trinity of Management Enterprise Facilitation and Holistic Management
2. Design the ‘Positive Farming Footprints’ program
3. Create a marketing program to promote the ‘Positive Farming Footprints’ program

## 3. Methodology

The Positive Farming Footprints project was an exploration of two bodies of thinking.

1. Holistic Management:

Holistic Management is a framework for decision making, with the founding principles being developed by Allan Savory and Stan Parsons. The Holistic Management framework is a unique management approach focussed on decision-making designed to help individuals, families, businesses and communities improve their quality of life and generate wealth, while simultaneously protecting or restoring their environment. In ‘Holistic Management (1999), Savory writes ‘Holistic Management is a goal driven process that overrides our conventional (often sub-conscious) decision-making to ensure decisions are socially sound, economically sound and environmentally sound’.

2. Trinity of Management and Enterprise Facilitation:

Enterprise Facilitation is a people-centred approach to community and economic development created by Ernesto Sirolli in the 1980’s. Enterprise Facilitation is a community-driven network which supports new enterprises and assists existing enterprises with developing solutions. Trinity of Management identifies the three key components of business in which an individual can feel passionate. Ensuring the people in a business are aligned to their passion, can not only increase an individual’s mental wellbeing, but also increase the performance of the business economically, socially and in production.

I was interested to explore these two principles to understand how Holistic Management educators have been working with farm family businesses to identify and manage social barriers to progress, (which are referred to as “logjams” in the Holistic Management framework) and Enterprise Facilitation and the Trinity of Management in re-connecting people with their passion in business.

I chose to meet with these various educators and facilitators through face-to-face travel so that I could engage in deep conversations and explore thinking in an organic way. I also wanted to have context in the regions people were working, with the intent of seeing the principles of Enterprise Facilitation and the Trinity of Management in action within rural communities in the USA.

I selected New Zealand, Canada and the USA as the prime locations to visit due to the high level of activity of Enterprise Facilitation and that some of the most renowned Holistic Management educators with an interest in human and social capital reside in these nations.

New Zealand and North American agricultural industries have similar challenges to Australia and by focussing my exploration on these nations, it ensured that the content of the ‘Positive Farming Footprints’ project is relevant to Australian farming families.

## 4. Results and Discussion

The bursary allowed me to explore the identified social barriers to progress. These have been clustered as follows:

- Business Acumen
  - Vision and purpose
  - Strategic thinking
  - Decision making
  - Financial literacy
  - Monitoring and continuous improvement
- Passion Alignment
- Cultural Capital
  - Leadership
  - Work Life Balance
  - Family communication
  - Attitude towards education and capacity building
- Mental Wellbeing
  - Isolation
  - Mental health
- Succession Planning

Through conversations, reading and listening, each barrier has been explored a.

### **BUSINESS ACUMEN:**

This project has allowed me to explore what are the traits of business acumen and the key elements required to increase a farming family’s competency in business management. In my experience, whilst working with farming families, I have found that the level of business acumen is relatively low and in comparison with our New Zealand peers, “Aussie farmers are far behind their Kiwi colleagues in savvy business management” (J. King, 2015).



Business acumen has been defined by K. Cope in 'Seeing the Big Picture', 2012 as:

*'Business acumen views the business with an 'executive mentality' - they understand how the moving parts of a business work together to make it successful and how financial metrics reflect how well each of those moving parts is doing its job'*

Cope further explains that business acumen has five key components being:

- ✓ See the 'big picture' of your business—how the key drivers of your business relate to each other, work together to produce profitable growth, and relate to the job you do each day
- ✓ Understand important business communications and data, including financial statements
- ✓ Use your knowledge to make good decisions
- ✓ Understand how your actions and decisions impact key company measures and the objectives of your companies leadership
- ✓ Effectively communicate your ideas to other business partners, employees, managers, executives, and the public

In discussing the topic of business acumen with a diverse range of agricultural consultants and business experts, it has been agreed that there are three key competencies required in business and that these are often deficient in the average family owned, agricultural business. These are:

1. Financial literacy
2. Strategic thinking and planning
3. Decision making framework

I believe there are a few additional competencies required to enable the three above competencies. These are:

- Clear vision and purpose. The setting of the 'holistic context'
- Growing a brains trust. This includes consultants, mentors, 'brainstormers', education, etc
- Monitoring processes

These three additional competencies, combined with the three previous competencies will develop a business acumen that is robust and resilient.

In the past, there has been an intense focus on financial literacy, with little consideration for the foundations which are required to enhance financial literacy. It's important that we look at all of these aspects of business acumen, acknowledging the synergy which exists between them.

The ANZ Survey of Adult Financial Literacy in Australia (2015) defines financial literacy as:

*'Financial literacy is the ability to make informed judgements and to take effective decisions regarding the use and management of money and is a complex combination of a person's skills, knowledge, attitudes and ultimately their behaviours in relation to money.'*

The report found that there are five behavioural indicators of a person's financial literacy: keeping track of finances, planning ahead, choosing financial products, staying informed and financial control. Their analysis also showed that characteristics such as gender, age, education, household circumstances, financial knowledge, numeracy and financial attitudes could help to explain differences in people's financial literacy. The financial attitudes identified include:

- Dealing with money is stressful (an attitude that applies even when things are going well financially)
- Impulsivity (acting before thinking things through)
- Financial self-efficacy (self-belief in ability to change one's financial situation)

- Financial aspiration (a desire to achieve financial success associated with a strong achievement orientation)

Interestingly, the report found that the groups with the lower financial literacy on average included:

- Young people under the age of 25
- Those with no formal education, which is often the case in farm family business
- Those employed in blue-collar occupations
- People with relatively low levels of income and assets

The report also found that women had higher scores on average than men that dealing with money is stressful. This was evident across all age groups. When this responsibility is shared with a partner, the results indicated that dealing with money is less stressful. In my experience, women in farm family businesses take control of the daily financial management and are often isolated when doing so.

One of the key points of the report is that it isn't essential to know financial accounting, but rather be able to give meaning to the figures provided. In the USA I met with David Pratt of 'Ranching for Profit'. David explained that farming families need to understand the difference between economics and finance. He explains in his book 'Healthy Land, Happy Families and Profitable Businesses' (2013) that economics asks questions such as:

*Is it profitable? How do we make it more profitable?*

And that finance asks questions such as:

*Can I afford it? Once I get started, how will the cash flow?*

The holistic financial planning component of Holistic Management focuses on profit and that profit is planned for at the beginning of a period. The late Bruce Ward described true profit as:

*'Profit is the generation of surplus cash, plus an increase in the ecological wealth on the land where the surplus cash was created'.*

In the process of strategically planning the financial period ahead, holistic managers make an allocation to profit first, which is followed by an allocation for improving an identified weak link in the business, followed by the inescapable costs (such as rates), followed by the on-costs associated with the business and its enterprises. This approach ensures that a profit is generated at the beginning and is managed for throughout the period; rather than the traditional approach where by profit (if any) dribbles out the end of a financial year. Profit should be something that is defended at all costs with regular monitoring throughout the financial year.

The ability to do this requires two major foundational abilities and these are:

- ✓ The ability to think strategically
- ✓ The ability to make robust, well informed decisions

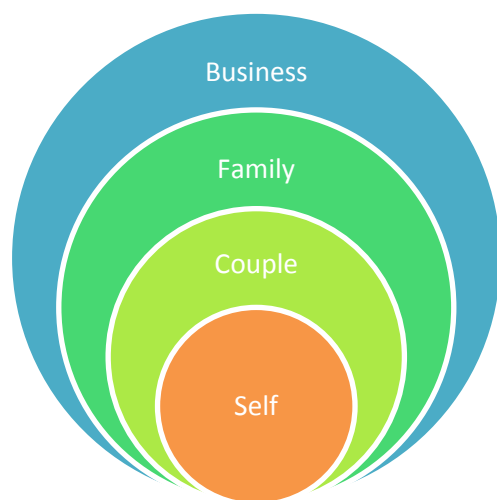
Strategic thinking is a mental or thinking process applied by an individual in the context of achieving success. It involves the generating and applying of unique business insights and opportunities to create a competitive advantage.

In speaking with farming families across Australia, I have learnt that the majority do not understand strategy and how it is distinctly different from planning. I have also found that the majority have never undertaken a basic SWOT (Strengths Weaknesses Pportunities and Threats) analysis of their business. Failing to do this, results in an inability to identify risks, be aware of weaknesses their unaware of strengths and potential opportunities to create a competitive advantage.

Richard Rumelt, the author of ‘Good Strategy Bad Strategy’ (2011) identifies the following as key abilities in thinking strategically:

- Being able to understand implications of strategic actions
- The focus that allows individuals within a business to marshal and leverage their energy, to focus attention, to resist distraction, to concentrate for as long as it takes to achieve a goal.
- To hold the past, present and future in mind at the same time to create better decision making and speed implementation. (Scenario planning is a great example of this)
- Ensuring both creative and critical thinking are incorporated
- Being responsive to good opportunities
- Always balancing against the risks of losing sight of alternative strategies better suited to a changing environment

In order for a farm family business to tap into their strategic capabilities, the vision and purpose of the business must be determined. Holistic Management encourages individuals, families and businesses to explore this using the concept of nested connectedness and the development of a holistic context for each whole: self, couple, family, business.



*Diagram 4.1. Interconnectedness model reflecting the connection between vision and purpose from individual to the business.*

This process enables individuals to explore their desired outcomes personally which contributes to a holistic context for that person and their spouse/partner, then their family and then to the business. This process enables a pathway in farm family businesses which allows individualism in the family and the role that each can play in making another’s vision and purpose possible. It also highlights where possible conflicts and differing points of view may need to be resolved. For example, if one spouse states that safe guarding income is important, yet another states that they want to

maximise profit, there is an issue relating to risk which needs to be managed to minimise future family stress.

Associated with the lack of strategic thinking, is the evident lack of decision making frameworks within farm family businesses. All too often, when I have asked farmers why they decided to plant a particular type of crop in a paddock, I’d hear ‘I don’t know, I just did’. When I ask if they brainstormed all of their options, they usually always replied ‘no’. The ability to make a well informed decision involves brainstorming all possible options so as to determine the intended gain, or the anticipated loss.

The most useful decision making framework I have found comes from Holistic Management where there are seven testing questions. These testing questions work in conjunction with a family’s holistic context and tests each option for sustainability, the root cause, identifying the weak link, appropriate use and source of money and energy; gross profit analysis, marginal reaction and if it has impacts on society and culture. Kirk Gadzia, who is a Holistic Management educator in New Mexico, regards the Holistic Management decision making framework as one of the key tools in creating a successful business.

Todd Sampson in ‘Redesign my Brain’ (2015) stated that ‘80% of us have an optimism bias. This is OK, BUT, it is not good in decision making as we underestimate risk and overestimate the optimism’. Therefore, it is essential that we provide decision making frameworks that are simple and easy to use

so that farming families develop a culture of robust decision making. For many reasons, it's important to develop strategic thinking and decision making skills in advance of financial literacy.

Plenty is to be learnt from traditional cultures, such as Haida Indians of North America. They made decisions by considering impact on seven generations into the future. Their culturally endorsed decision making is centred on their nation being custodians for the future.

*'We do not inherit this land from our ancestors; we borrow it from our children'.*

### **PASSION ALIGNMENT:**

Passion is an eroding element in farm family businesses because of issues such as on-going drought, economic hardship, a range of personal challenges and so on. Passion, which makes a person jump out of bed, determined and focused is what we need to reinject into farming. Ernesto Sirolli of the Sirolli Institute of California, USA talks passionately about passion and entrepreneurialism. Passion is the drive, ambition and love of what you do and who you serve. Clate Mask, CEO of Infusionsoft says that passion is 'the difference between those who push through difficult times and those who don't'. Workers who are happy are 12% more productive than the average, with unhappy workers being 10% less productive. Although data doesn't exist for the impact of passion on the owners of a business, one can assume that the results would be even more significant on productivity.

Passion has a direct impact on many aspects of agriculture, including (but not limited to):

- Personal mental wellbeing
- Family
- Marriage
- Enterprise performance
- Profitability
- Adoption of best management practices
- Innovation

Add the many challenges in agriculture, such as drought, economic trends, health problems, social license, politics and you have a rich concoction that strips passion from individuals and families in the agricultural sector.

Ernesto Sirolli developed the Trinity of Management and states that any individual can only ever be passionate about one, and sometimes two, aspects of business. The Trinity identified three areas of passion:

1. Creation of the **PRODUCT**
2. Management of **FINANCES**
3. **MARKETING** of the product

Generally speaking, farmers are passionate about the creation of their product. Using the Trinity we can determine in a farming family where the passion deficit/s lay. Diagram 4.2 demonstrates the use of the trinity in identifying where the passion lies in a business and how the business is performing against these three key areas. I have used the Trinity model on a number of farm family businesses with pleasing results.

Family members are asked to record, from one to ten, how passionate they are about each of the three areas in the Trinity, with one being low and ten high.

Diagram 4.2 is of a sample family from the Central West of NSW. This family produces fat lambs and comprises of the mother and father and their son and his new wife. The graph clearly indicates that this family business has a major deficiency in the financial management of the business. In this sample, the mother has been doing the bookwork since her father-in-law passed away 25 years prior, but she was

forced to do it as no one else would. Mum is on her own with the financial management having a husband who isn't interested in the finances and a son who is just like his dad. The daughter in law has a marketing degree, but isn't being included in the business. The father and son, like most farmers, are passionate about the product they are creating and this is clearly demonstrated in diagram 4.2.

The family is also asked to indicate how well each of the three aspects is performing, out of ten. This is captured as the horizontal line on the graph in diagram 4.2.

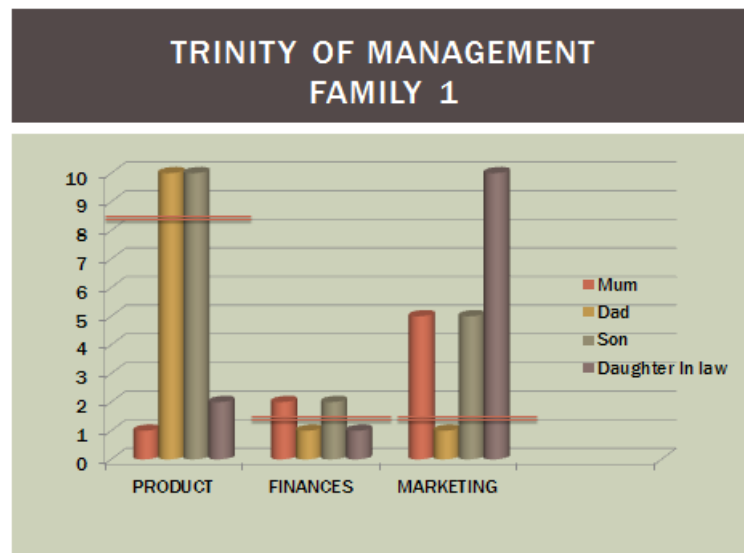


Diagram 4.2. Trinity of Management model on sample family 1.

The Trinity opens the opportunity to discuss a raft of issues. In this sample:

- Are the right people in the business in the right roles?
- What can be done to create passion in the deficit area?
- What does the succession plan look like?
- Is communication within the family as strong as it could be?
- Is the business being strategic in each component?
- What types of training may be required?

The same model can be used to assess the strength of the business across the trinity and then brainstorming ways to strengthen those key areas. The simplicity of this model has been very easy for individuals to understand, use and is designed to be used independently outside of professional facilitation.

The Trinity of Management model is an integral component of Enterprise Facilitation . Enterprise Facilitation is a business support model which is centred in community networking. I spent time in Kansas and Missouri learning about the Enterprise Facilitation model and how it works in small rural communities in the mid-west of the USA.

An Enterprise Facilitator works with a region of approximately 50,000 people, or in a 150km radius, where they are supported by two tiers:

*Management Board* = This is a board of up to eight people who oversee the budget, strategy, Enterprise Facilitator performance, etc.

*Community Resource Board* = This board can comprise of 60+ people who are used as a networking board who meet monthly.

The Enterprise Facilitator engages directly with the business owner or entrepreneur and using the Trinity of Management model, helps the business person identify where there are weak links and challenges. The Enterprise Facilitator takes these challenges to the Community Resource Board who will either help or find someone who can. The Enterprise Facilitator makes the introduction and then the business person is left to drive the interaction, ensuring that there is ownership of the process. Importantly, the Community Resource Board does not judge businesses, or business ideas, they simply help to overcome challenges. Ernesto uses the example of the man who started the pet rock business. He was told the business would never be successful. That business became a million dollar business in its own right. Therefore, it's important to never judge a business, but act as a supporter and help find solutions for challenges.

I believe the Enterprise Facilitation model can be used to support farm family businesses in a number of ways. Firstly, to identify passion alignments within the business and identify where gaps and weak points exist in the business. The second being a framework where those businesses can access support from a diverse range of people with business and agricultural experience to find solutions to challenges. It also provides an opportunity to unite producers with similar passions and form cooperatives and other models which support primary production. See Recommendation 2 for further detail.

### **CULTURAL CAPITAL:**

Agriculture is rich in culture which is often deeply rooted in family traditions. Due to the nature of agriculture, there is apathy towards changing the cultural beliefs and practices of a farm family business. Farmers often comment that by making major changes, they feel like they are saying their fore-fathers were doing it wrong.

Cultural capital encompasses leadership, work life balance, family communications and attitudes towards education and capacity building (separate to human capital). The ability of farming families to adapt is directly linked to their culture and their needs are considered when effecting change.

**Leadership** plays an interesting role and all too often, in farm family businesses, we see traditional leadership styles. Where, a senior male figure plays the leader role in both family and business, he usually has an autocratic leadership style. Investigation into leadership styles reveals that it would be more effective for farming families to identify what type of leadership style each member of the business has and understand the role that person plays in different situations. There is greater value to the family and business in utilising multiple leaderships to deal with a diversity of daily issues, opportunities and challenges.

Diagram 4.3 simply demonstrates the different leadership styles which may exist in the business. It's important not to be focussed on traditional versus modern, but rather understanding that each leadership style brings value to the business at different times and in different circumstances.

TRADITIONAL		MODERN	
Autocratic	Leader makes decision	Charismatic	A uniquely gifted individual
Bureaucratic	Management by the book	Transactional	Workers are motivated by reward

Democratic	Delegation of responsibility	Transformational	Leaders and followers help each other advance
Laissez-faire	Hands off with zero intervention	Visionary	Interconnect, improve & foster change leading towards a desired state
		Servant	Shared power in decision making with service to others, sense of community.

*Diagram 4.3. Traditional and modern leadership styles*

For example, when developing a marketing strategy for a new value-added product being sold directly from the farm, a charismatic leadership style will be the most effective person for marketing the product. Another example would be the role of a bureaucratic leader in an emergency. If following a procedure is important, for example in a workplace health and safety incident, someone with bureaucratic leadership skills would be the best person for the role. A visionary leader would be essential if the farm family business is implementing a significant change which is confronting to everyone.

A leadership audit would be a useful part of conducting a SWOT analysis of the business and recognising the strengths and weaknesses in leadership within the family business.

The cultural shift required isn't to create one type of leadership style in a family, but rather recognising that each person in the business brings different qualities which need to be harnessed, often at differing times in an individual's life. A diversity of leadership styles increases the resilience of a family and business.

Leadership is a journey impacted by maturity and the Leadership Maturity Framework by Dr Susanne Cook-Grueter describes the 4 stages of leadership maturity. Using this framework could act as a process for families to identify where each member may be situated in their leadership maturity journey. The four key conventional stages are:

1. Opportunist (Self-protective)
2. Diplomat (Conformist)
3. Expert (Self-conscious)
4. Achiever (Conscientious)

There are additional rarer stages of development post Achiever. These post conventional stages are Individualist, Transforming, Alchemist and Unitive, but they require a greater understanding of self and personal awareness. Over time, people will mature in their leadership and this is important to recognise.

This framework could be useful in assisting family members to recognise and appreciate the differing leadership qualities held within the family business. An informed family business can use this information to make well informed decisions, especially when they are aware that they do not have the leadership qualities required at a given point in time to deal with a challenge or opportunity.

**Work life balance** is an issue in every industry and for each person. Work life balance is a concept including the proper prioritising between 'work' (career and ambition) and 'lifestyle' (health, pleasure, family and spiritual development). The existing culture and nature of agriculture often makes it difficult for families and individuals to leave their work and invest in life balance.

Dr Angela Wardell-Johnson of the University of the Sunshine Coast recognised in her work in the Western Australian wheat-belt, that work life balance was the most influential component of what made a successful farm family business. These families prioritised their life balance with their business

and actively volunteered in their community, played sport, attended family activities and took an annual holiday for 3-4 weeks (as a block).

Conversations exploring the role of a 3-4 week holiday have revealed that generally speaking, individuals spend the first week adjusting to the holiday, spend the second and third week relaxing and then over the third and fourth week, begin to think outside of the square about their business, engage in strategic analysis of the business and develop resolutions or solutions to challenges.

Again, developing work life balance is part of a family’s culture and can be significantly influenced by one generation.

**Family communication** is a fundamental aspect of cultural capital. There are a diverse range of profile assessments such as the Hermann Brain Dominance Instrument (HBDI), DISC, Myers Briggs, Kolbe or the FETS model which people can complete to increase self-awareness on communication. Improvement in communication requires personal commitment and in a family business context, requires appropriate leadership to change the culture.

Farm family businesses also need to complement personal growth with processes which promote clear communication. This includes structured meetings. Resource Consulting Services promotes that clients undertake WITB (working in the business) weekly meetings to discuss activities for the week, allocation of duties, resources required and so on. They also promote WOTB (working on the business) meetings which happen monthly to undertake strategic decisions, planning, financial analysis and as an opportunity to touch base with employees to seek feedback and input.

By distinguishing between operational meetings (weekly) and managerial meetings (monthly) members of the farm family business can be better informed on the direction of the business, their role in the business and have clarity of expectations. All too often I hear stories where there is poor communication and only one person in the business knows what is happening and doesn’t communicate with family members, resulting in conflict and workplace dissatisfaction.

There are a range of models and profiling assessments which have been promoted by different people working with family businesses. These help to raise awareness of existing communication and decision making preferences. The De Bono Thinking Hats has been an often referenced tool for family meetings and encourages individuals to think differently and participate in discussions from a particular perspective. Each hat (Diagram 4.4) has a different thinking style.

Hat	Description
Blue	Rules, guidelines, blueprint, process before decision
White	Facts, statistical, understand
Red	Feeling, intuition, “feels right”
Green	Possibilities, concepts
Yellow	Optimistic, explore benefits, glass half full
Black	Cautious.

Diagram 4.4 De Bono 6 Thinking Hats

Lucy Hogar, a Silicon Valley business consultant uses the STAR model, as seen in diagram 4.5 to help family businesses identify the trait of each family member.



	Trait	Description
S	Stable	Uncomfortable with change; introduce slowly over time
T	Technical	Engineering minded; detailed. Precision & calculating
A	Action	Opposite of stable. "Get on with it" approach
R	Relationship	Thinks about feelings.

Diagram 4.5. STAR Model, Lucy Hogar USA

The Hermann Brains Dominance is a profiling assessment that measures and describes thinking preferences in people and was developed by William 'Ned' Herrmann while leading management education at General Electric's Crotonville facility.

It is a type of cognitive style measurement and model. Herrmann identifies four different modes of thinking (Diagram 4.6):

#### A. Analytical thinking

Key words : Auditive, logical, factual, critical, technical and quantitative.

Preferred activities : collecting data, analysis, understanding how things work, judging ideas based on facts, criteria and logical reasoning.

#### B. Sequential thinking

Key words : safekeeping, structured, organized, complexity or detailed, planned.

Preferred activities : following directions, detail oriented work, step-by-step problem solving, organization and implementation.

#### C. Interpersonal thinking

Key words : Kinesthetic, emotional, spiritual, sensory, feeling.

Preferred activities : listening to and expressing ideas, looking for personal meaning, sensory input, and group interaction.

#### D. Imaginative thinking

Key words : Visual, holistic, intuitive, innovative, and conceptual.

Preferred activities : Looking at the big picture, taking initiative, challenging assumptions, visuals, metaphoric thinking, creative problem solving, long term thinking

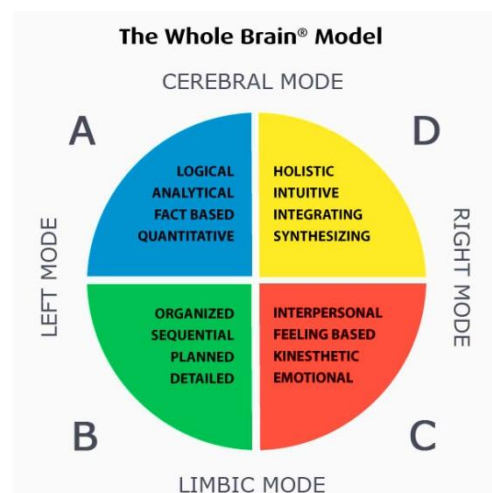


Diagram 4.6. HBDI Whole Brain Model

I have worked with more than 70 farming families utilising the HBDI whilst working as the Education Manager at the Little River Landcare Group. HBDI was a highly effective tool in developing individual self-awareness. In knowing how you prefer to communicate you can identify how you need to adapt your communication to meet the needs of others and be effective in communicating.

The Kolbe profiling assessment identifies the instincts that drive individual and group behaviours. Individuals learn their cognitive strengths and how these innate strengths fit into jobs, relationships, and on teams.

There are a diverse range of tools at various pricing structures which farm family businesses can tap into to audit the existing communication and thinking preferences of their business members.

Whilst in New Mexico, USA I met with Jeff Goebel who is a Holistic Management educator and a Consensus facilitator. Jeff uses consensus to break down fear and this is often what is being experienced by farming families, including environmental challenges (such as drought), economic hardship and succession planning.

Consensus is a group decision making process that seeks the consent of all parties. Consensus may be defined professionally as an acceptable resolution, one that can be supported, even if not the favourite of each individual. The consensus building conversation is as important as the outcome.

Jeff promotes that whilst facilitating consensus in a farm family business, there are four key questions to be asked.

1. What is the present situation and how do you feel about it?
2. What is the worst possible outcome if we don't confront it?
3. What is the best possible outcome if we do confront it?
4. What are the required beliefs, behaviours and strategies we need to achieve the best possible outcome?

This process allows individuals within a group to articulate what the present state is for them and how they feel about it. It cannot be disputed by others as it is their reality. The process, leads the group into a shared vision of what needs to happen to achieve the best possible outcome and avoid the worst case scenario.

The importance of language and phrasing questions in a way which enables individuals to contribute to discussions is critical. The process of building consensus ensures that a mutually agreed pathway forward has been developed by the family and it can become part of their cultural legacy. It's a key tool in the way that crucial conversations are managed.

Agriculture, historically as an industry, poorly values the importance of **education and capacity building** and its direct correlation with increasing productivity. The 2013 'Review into Agricultural Education and Training in NSW report' references a long term trend in the decline of agricultural education and training participation ratios. They also note that the agriculture sector is now notable for its low levels of post-secondary qualified workers and in particular, highlights a shortage in the supply of appropriately qualified university graduates. The 2010 Organisation for Economic Co-operation and Development states that education drives gross domestic product growth as long as it drives attainment. The Programme for International Student Assessment (PISA) suggests that if Australia were to achieve a 25 point increase in PISA scores by 2030 and maintain this to 2090, it would provide a projected benefit of more than US\$2.5billion to the Australian economy.

The family attitude towards education is an important cultural capital issue. Education is recognised as a human capital but has close linkages to cultural capital. The average age farmer in my region of Central West NSW is 60 and this age group generally speaking, often have little or no formal education post leaving school. Therefore, this means their exposure to business management is moderate to low. Generally speaking, the wife of the farmer has been at home on the farm since marriage and has had off-farm income during difficult periods to subsidise income. Often, I encounter farmers who were told they had no choice but to work on the farm as soon as leaving school. This generation learn about business and communication from their parents who often had a low level of business skills. The inherited knowledge base of business management is a major impediment to agriculture and farm family businesses.

Whilst meeting with consultants and experts in Canada, New Zealand and the USA, I was interested to learn that their nations place considerable focus on agricultural education and tertiary qualifications. Australia appears to be significantly behind other nations. In particular, New Zealand has very strong and well supported agricultural scholarship programs.

The New Zealand dairy industry identified nearly 10-15 years ago the need to invest in the business acumen of their farmers if the industry was to prosper in the future. A significant investment was made in developing capacity building programs and was later made available for other agricultural sectors. As a result, whilst visiting New Zealand, I was impressed with the business approach of farmers, their ability to understand the correlation between production and profit and using data to make informed decisions. This is something I do not often see in farming businesses in Australia.

Our New Zealand counter parts do concede that Australia is leagues ahead in natural resource management and that they have plenty to learn from Australian farmers. This was especially highlighted in their new laws managing soil nitrates and the implications for riparian zones, aquatic habitats and recreational water users. The onus is on farmers, who through their land management are the major contributors to increased soil nitrate levels and the resulting impact on natural resources.

Heather Collins, an independent agricultural consultant in the South Island believes that New Zealand's strong focus on financial and business management over the last 15 years failed to recognise that natural resources had to be managed in balance with productivity and profitability and as a result, they have the major natural resource issues they are presently trying to manage and mitigate.

Cultural capital is what is created as a legacy in the culture of family. It is important for farm family businesses to identify the existing 'DNA' of the business and this is even more important in multi-generational businesses, as the inherited legacies of many generations can be both beneficial and a weakness.

An important component to consider is being aware that people change with time. Education, relationships, experiences and more can change an individual and this is important in farm family businesses. Not all of these changes are negative, or are they all positive, but they occur and it's vital that it is recognised that people will change over time.

## **ISOLATION AND MENTALWELLBEING**

Although isolation and mental wellbeing can often be connected, they have two distinct impacts on a farm family business.

**Isolation** can be from a number of factors, including distance and remote location, but it can also be self-imposed. It is important for a farm family business, and those within the business, to identify the implications of isolation and be aware of its impacts.

Whilst working with the Little River Landcare community, I observed over the period of 3 years (2012-2014), the impact of climate on self-imposed isolation. Over these 3 years, the spring period failed, resulting in non-replenished pastures for mixed farming operations and the failure of soil moisture to support crops sown in the autumn. I observed that families, often comprising of a couple aged in the 60's, would pull away from engaging in educational and social activities. No doubt the stress of a failed season was placing considerable strain on the family from both a production and economic perspective.

Self-imposed isolation has a number of implications. These are:

- A vortex of negative thinking can be created within a family. Their withdrawal from community will impact their mental health, family communication and decision making and business performance.
- Self-imposed isolation will remove individuals from exposure to external thinking. This exposure can be highly beneficial providing a range of outcomes such as inspiration, new ideas, brainstorming, synergy, knowledge, energy and more.

Whilst in the USA, I had the opportunity to discuss isolation with a range of agricultural consultants and it was interesting that they too could identify with my observation relating to self-imposed isolation, especially as a result of climatic conditions. Given the climate change predictions for the Central West of NSW, the importance of self-awareness and early identification of self-imposed isolation will be a key component of individual and business resilience.

### **Mental Wellbeing**

Mental wellbeing is a significant issue in rural Australia and sadly, the high rates of farmer suicide have a lasting impact across small rural communities.

Professor Bruce Parker of the Black Dog Institute discussed with me his latest farmer research where he is observing the difference between clinical depression and situational depression, the latter which he often sees in farming families. Professor Parker believes the clinical approach towards the management of farmer mental illness is often excessive, simply because their mental health issues are often as a result of their current situation. This can include drought, economic downturn and family communication. A sudden shift in circumstances, such as rainfall, or a successful crop harvest, has the ability to dramatically shift an individual's mood. Therefore, the clinical approach towards managing mental health can sometimes be both excessive (in terms of medication), or ineffective in terms of psychological help.

Therefore, it is essential that mental health programs in rural regions not only focus on personal treatment plans, but also target the root cause, which relates to the level of control an individual feels they have over the current circumstances. This may include increasing an individual's ability to control their financial situation, or make better decisions in advance of crisis. An example of this may be risk management planning which helps farmers to develop policies on destocking smaller numbers of livestock earlier and more often, rather than holding on to an entire herd or flock until the conditions are so poor and animal health becomes compromised and sale value drops.

The need to address root causes for farming family mental wellbeing is critically important. These root causes can often be attached to the business acumen and social elements of the business, including family communication. The management of mental health in rural communities has the potential to benefit immensely from the targeted delivery of educational programs which increase business acumen and improve the social interactions between family members. The Positive Farming Footprints program integrates all of these elements and highlights that each social factor is intricately connected.

The tendency of situational depression in rural regions should not shadow the impact of clinical depression and the need to manage it seriously. Whilst attending the 'Tomorrows Future Today' Conference in Tamworth, the BE-Health team presented on the Interpersonal Theory of Suicide. They presented that there are two ways that people die of suicide.

1. Because they want to. They have a perception that they are burdensome, or have a thwarted sense of belongingness.
2. Because they can. They have the capability from an injury, death or pain.

This theory provides an interesting insight into suicide in rural areas and how we can approach the mitigation of suicide through appropriate support structures.

Whilst undertaking this bursary, no new or innovative information was obtained at a mental health consumer level. However, an example of government initiated leadership existed in the province of British Columbia in Canada where the government implemented reforms whereby it's a legal requirement for mental health workers to engage family and close friends of mental health patients in the treatment plan. This achieves multiple outcomes, including:

- Support structures for patients outside of the doctor rooms
- Break down of community stigma associated with mental health

- Increased community ownership in supporting fellow community members
- Doctors obtained information about the patient and their circumstances which the patient may not have shared during consultation; allowing them to treat the patient appropriately

Failure of health professionals to engage family, friends or work colleagues is deemed negligent in the treatment of the patient. This political reform appears to cross a barrier with privacy; however, discussion with Dr Kathryn Newman in Whistler, BC Canada indicates that patient recovery is better and that she as a doctor can develop suitable treatment plans because of the insights and support provided by family, friends and colleagues of the patient.

It was agreed across New Zealand, Canada and the USA that mental health is a major risk to farm family businesses and that it is not a matter isolated to Australia. It was also agreed that the tendency for funding to be invested into phone line services was not meeting the cultural needs of the farming sector, nor is it an effective means for addressing the root causes of mental health in the farming sector and creating long term value in changing people's lives.

The Beyond Blue Mental Health Check List is a popular resource for early awareness of mental health issues. This resource appears to be used across Australia, New Zealand and Dr Newman of Canada was also familiar with the Beyond Blue program.

## **SUCCESSION PLANNING**

Australia is fortunate to have a number of exceptional succession facilitators and accounting, legal, financial planning and banking sector interests who also advocate for succession planning. Despite this interest base, there is a need to develop a 'hub' for succession knowledge in Australia.

Manager of Succession Services with Rabobank, Kim Lee, states that less than 10% of businesses in Australia do succession planning. This issue is not unique to the agricultural sector. Agriculture has an interesting dynamic where business and family is intricately woven together; therefore, indicating that succession planning in agriculture is essential to the success of the business, happiness of the family and stability of the region.

Isobel Knight of ProAgitive and the 2013 RIRDC Rural Women's Award National Runner-up emphasises that in order for families to undertake succession planning, they must be financially aware and have an understanding of their business position. Kim Lee states that less than 10% of their succession clients have an awareness of their financial position. The low level of business acumen in Australian farming families presents a significant issue, not just in terms of running the business, but in dealing with succession issues.

In exploring succession planning, it became apparent that there is a negative image of the process, due to the unsuccessful stories which exist. All too often, succession is a result of death, divorce disability or dispute, therefore being a reactive process whilst under stress. The necessary foundations required to achieve success, such as financial awareness and effective family communication can't be addressed appropriately whilst in a reactive position.

Isobel Knight has identified that managing a farm business is complex and the succession conversation needs to consider all of these complex elements. These elements are:

- Compensation
- Leadership
- Systems
- Succession
- Communication
- Training and development

- Standard operating procedures
- Financial Analysis
- Strategic Planning
- Innovation
- Production
- Marketing

This diverse range of elements makes succession planning a complex field to manage. In order to establish a business which is dynamic, resilient and robust, all of these elements must be managed together.

The work of Jeff Goebel on building consensus (see Cultural Capital, page 13) is an integral component of succession planning. Kim Lee of Rabobank states 'you can never achieve everyone getting what they want, but you can achieve everyone losing just a little'. So, it's very important to gain consensus, rather than have individuals feel they had to compromise.

There is a need to highlight the difference between generations as today the gap feels like it is wider than ever before. Major changes such as technology mean that younger generations view the world in a very different way and have different expectations in life. Increasing the awareness of generational differences will make succession conversations more productive and hopefully less confronting.

**Key Point:**

**At present, many of these aspects are managed as silos with little consideration for the synergy which exists between each social challenge. Over the last eighteen months whilst exploring these issues, I have found that they are all intricately interconnected and that farm family businesses would benefit from an integrated approach in the way that these matters are identified and addressed.**

## 5. Report on Activity

### **Objective 1: Undertake a study tour looking at Trinity of Management, Enterprise Facilitation and Holistic Management**

During 2014, much of my time was filled with various media activities and public speaking engagements. This allowed for me to plan the travel component of the bursary project.

In January 2015, I travelled to New Zealand to meet with a number of agricultural consultants and to stay with New Zealand farmers to discuss my project and their experiences of social barriers to progress within a farming family context. This approach also allowed me to understand the dynamics of the New Zealand agricultural industry and consider the relevance to Australian farming families.

Whilst in New Zealand I met with:

**John King**, Succession Ltd, Christchurch., Sth Island

John is a well-regarded Holistic Management educator who has an interest in developing the overall social capacity of farming families. Holistic Management educators in Australia utilise many of John's tools and resources for their user friendly design and his ability to design resources that suit the learning styles of farmers. John was able to suggest suitable people to meet with in the USA, whom he deemed as being suitable thought leaders to add value to my project.

**Heather Collins**, Collins Agricultural Consulting, Blenheim, Sth Island

Heather is a well-respected agricultural consultant in New Zealand and I was interested to meet her after reading her 'Beyond Reasonable Drought' paper. Heather is presently doing her PhD in social capital in an agricultural context and provided some interesting insight and linkages to other thought leaders.

**James & Kacey Austin**, Austin Agriculture, Albury, Sth Island

James & Kacey are part of a multi generation farm family business. Their business has undergone significant change through succession planning and was an interesting family to visit to discuss their attitudes to change, driving factors of their change and lessons learned along the way.

I had made arrangements to meet with **Neville Foreman** in the North Island, however, this meeting didn't take place due to circumstances beyond my control. Neville is a Master Facilitator in Enterprise Facilitation. Neville is one of the world's longest serving Enterprise Facilitators utilising the Trinity of Management principles in assisting small business and community in developing resilience and economic sustainability.

In April 2015, I continued my study tour to Canada and the United States of America (USA).

Whilst in Canada I met with:

**Sheila Wynn**, Victoria Island, British Columbia, Canada

Sheila has had a lengthy career in Canadian politics and was able to share with me insights into the Canadian political system and the challenges and opportunities of agriculture and natural resource management. Sheila arranged an informal function for me to meet a range of agricultural thought leaders where I was able to discuss my project and learn about the Canadian agricultural system.

**Dr. Kathryn Newman**, Whistler, British Columbia, Canada

Kathryn is a practising psychologist who is working with the community to address mental health issues; in particular, depression and suicide. I was able to learn about the differing approaches to mental health services across the various states of Canada and to learn about the modern approach adopted by British Columbia in managing mental health patients.

**David Irvine**, Cochrane, The Leaders Navigator, Alberta, Canada

<http://www.davidirvine.com/>

David is an international author, family therapist, organisational transformist, and public speaker. David has published three bestselling books and works with a wide range of businesses in the USA and Canada, including farm family businesses. David has been working with Holistic Management International educators to improve the way families communicate, demonstrate leadership and adapt to meet the needs of the people in the business.

David and I discussed at length the qualities of leadership and that farming families need to develop a role for the 'chief emotional leader'.

**David Pratt**, Ranch Management Consultants Inc, Fairfield, California, USA

<http://www.ranchmanagement.com/index.html>

David is the founder of Ranching For Profit, which is one of the USAs most successful farming courses. David is a Holistic Management educator, so the Ranching For Profit school educates using the triple bottom line approach. David is an author and one of the most innovative educators I met.

**Thad Geiger**, Kansas State Dept of Agriculture, Troy, Kansas, USA

Thad is a beef cattle officer for the state of Kansas. Thad provided insights into the beef cattle industry and as an extension officer, his view of social barriers inhibiting families from progressing. He shared significant knowledge about subsidised agriculture and the realities of farming economics in the USA.

**Annette Weekes**, Director, Centre for Entrepreneurship, St Joseph, Missouri, USA

Annette was formerly an Enterprise facilitator for North West Missouri Enterprise Facilitation and is now leading an innovative business entrepreneurialism program for North West Missouri University. Annette has educated many Enterprise Facilitators and has worked with many start-up and existing businesses to increase business performance using the Trinity of Management.



Annette arranged for me to meet a range of people (customers, board members and staff) of the Enterprise Facilitation program and also invited me to attend a university class within the Centre for Entrepreneurship. Annette also coordinates a business program called 'Cup of Jo' Breakfast Meeting which is a peer-based support meeting for new and existing businesses.

**Keli Morris**, Facilitator, North West Missouri Enterprise Facilitation, Savannah, Missouri, USA  
[www.nwmef.com](http://www.nwmef.com)

Keli is an Enterprise Facilitator. Keli showed me a vast array of businesses that have used the services of Enterprise Facilitation.

**Teresa McAnerney**, Facilitator, North East Kansas Enterprise Facilitation, <http://www.nekef.org/>

Teresa is the Enterprise Facilitator for the north eastern section of Kansas. Teresa arranged a diverse tour showcasing agricultural businesses whom of which had a connection to enterprise facilitation. Many of these businesses had used the services of Teresa, either as start-ups, or existing business and now volunteered in the community board for their local Enterprise Facilitation.

Teresa arranged a dinner meeting for me to meet a range of interesting people with connections to agriculture. This provided me with the opportunity to discuss agriculture in Kansas and challenges for farming families after a lengthy drought period.

**Nep Orshiso**, CFO, Motavera, St Joseph, Missouri, USA, <https://www.motavera.com/#/>

I met Nep at the 'Cup of Jo' breakfast meeting in St Joseph. Nep and a friend have recently graduated from university and identified a needs gap in the connection of students to jobs in their chosen field of study. This online innovation has been adopted by a two pilot universities and is branching across the USA. Nep's presentation at this meeting highlighted a modern technology approach to connecting trained agriculturalists to careers within agriculture.

**Laura Handke**, Regional Coordinator, Agriculture Education on the Move, Achison, Kansas USA  
[www.AgMoves.com](http://www.AgMoves.com)

Laura started the Ag education on the Move Program. This Program brings agricultural education into the primary schooling system in the USA. Laura engaged industry into the development and delivery of relevant curriculum material which connects students to the types of enterprises grown locally in their region. The program is supported by local producers who visit class rooms, or encourage farm tours. This program has been highly successful across Kansas and is now being modelled in other states.

**Gary Satter**, Executive Director, Glacial Hills Resource Conversation & Development, Wetmore, Kansas, USA [www.glacialhillsrccd.com](http://www.glacialhillsrccd.com)

Gary is an Enterprise Facilitator and has a similar role to our Australian Landcare Facilitators, enabling the community to practice natural resource management on private and public lands.

**Kirk Gadzia**, Resource Management Services, Bernalillo New Mexico, USA  
<http://www.rmsgadzia.com/>

Kirk is a Holistic Management educator and has travelled the world educating landholders on the principle of Holistic Management. Through Kirks vast experience of working with farming families, he was able to share insight into the conversations which need to be had at a family level to progress with their adoption of managing holistically.

**Jeff Goebel**, About Listening Goebel & Ass., Belen, New Mexico, USA,  
<http://www.aboutlistening.com/>

Jeff was one of the first student educators of Alan Savory and has developed extraordinary skills on building consensus at both a community and family business level. Jeff shared great insight into the process of building consensus and how to use this in the process of creating transformational change.

**Anne Adams**, Holistic Management International, Director Programs, Albuquerque, New Mexico, USA, <http://holisticmanagement.org/>

Anne is the Director of Programs for Holistic Management International. Anne is a certified Holistic Management educator.

**Bryan Weech**, Holistic Management international, Executive Director, Albuquerque, New Mexico, USA, <http://holisticmanagement.org/>

Bryan is the Executive Director of Holistic Management International.

During the bursary period, I have met, discussed, engaged and reached out, to a diverse range of people whom I believe add value to the 'Positive Farming Footprints' project.. This has included:

**Dr Angela Wardell-Johnson**, University of Sunshine Coast

Dr Wardell-Johnson is a social ecologist and is studying the role of the 5 capitals in managing climate change. Dr Wardell-Johnson led a team of researchers in the recent Commonwealth Drought Preparedness Pilot.

**Doug Avery**, Resilient Farmer, Seddon, Sth Island, New Zealand, <http://www.resilientfarmer.co.nz/>

Doug is an award winning farmer from New Zealand and has an impressive story of his own personal change. Doug was on the brink of bankruptcy and agricultural system collapse when he realised that the only way to cope was to implement some significant changes to his own thinking, business systems and his production targets.

Doug, in 2015, is delivering a series of workshops sharing his story with other New Zealand farmers to encourage their adoption of best practice. This workshop series has been sponsored by the private sector to increase the resilience of farm family businesses in New Zealand.

**Ernesto & Martha Sirolli**, Sirolli Institute, Sacramento, California, USA <http://sirolli.com/>

Ernesto is the founder of the Sirolli Institute and the thinking behind the Trinity of Management and Enterprise Facilitation. Ernesto's work looks at passion in a business and how to grow a business utilising an individual's passion.

Ernesto works with Enterprise Facilitators around the globe, assisting them to grow their local economies through community driven support structures. Ernesto is a published author and has spoken at global conferences, including TED.

**Allan Savory**, Savory Institute, Boulder, Colorado, USA <http://savory.global/>

Allan is the founder of Holistic Management and has a rich history as a land manager. Through his experiences as a game reserve ranger, a politician and an educator of farming families, Allan has refined the principles of managing holistically. Holistic Management looks at achieving a balance in the people, ecology and business and provided me with the original thinking behind the core of this project.

**Travis Bates**, Specialist Community Relations, Rio Tinto, Singleton, NSW, Australia

Travis is working with the communities of Muswellbrook and Singleton to implement an Enterprise Facilitator program. Travis allowed me to attend one of their community meetings to see first hand how Ernesto Sirolli works with the community and to understand the role of board, community resource group and the Enterprise Facilitator.

**Collette Mills**, Psychologist, Orange, NSW, Australia

I have engaged professionally with Collette for many years and she has provided insight into a range of mental health issues. Collette has highlighted the need for a systemic approach to enabling people to change and the management of mental health.

**Peter Williams**, Chief Edge Officer, Deloitte Centre for the Edge, Melbourne, Vic, Australia

Peter has made accessible his team and the Deloitte Centre as thought leaders on the topic of change and reinvigorating passion in small business.

**Natalie Faull**, Account Director, Deloitte Private, Melbourne, Vic, Australia

Natalie has been a thought leader on matters relating to business acumen and succession planning.

**Lucy Hogar**, 7 Steps in Business Success, Silicon Valley, California, USA

Lucy is a corporate executive and has insight into what makes for a successful business; especially on the topic of business acumen. Lucy participated in a webinar via KLR Marketing where I was able to ask her some key questions about business acumen.

**Toni Smith**, Psychologist, Wellbeing House Orange

Toni is a practising psychologist and has extensive experience in working with farming families within rural and regional areas.

**Brent Jacobs**, University of Technology, Sydney

Brent is a researcher on adaptive capacity for change and capitals. Brent is presently looking at the impacts of climate change predications and the response of community to the impacts.

**Dr Anna Carr**, ABARES, Canberra

Dr Carr is the Director of research engagement and outlook. Dr Carr discussed with me the leadership maturity framework and the role of risk perception and risk communication in farm family businesses.

**Emeritus Prof. Stuart Hill**, University of Western Sydney

Prof Hill is a leader in social ecology and his work on systems redesign to enable change highlights that change needs to start from within.

**Dr. Robyn Hobbs**, Commissioner for Small Business

Robyn and I discussed the different support models for small business and some of the perceived barriers for farm family businesses.

## **Objective 2: Design the ‘Positive Farming Footprints’ program**

The Positive Farming Footprints project has been designed to have a number of elements. These are:

1. **Increasing Awareness.** This is being done through public presentations. Between April 2014 and July 2015 I have presented at 10 conferences, to an audience of more than 1700 people. I have addressed large crowds at 8 community events across the central west of NSW. I have presented to 3 government department teams who sought to understand the complexity of farm family business. I have a number of commitments into the later part of 2015 and into 2016 including the ABARAE Outlook Conference, NT Cattleman’s Association Conference, NSW Local Government Women’s Conference and the Nuffield Scholars Conference.
2. **Social Media:** A dedicated Facebook page was developed for the project to communicate the various messages of the project. It is also an effective mechanism to share related information and events.
3. **Social Audit Instrument:** During the course of the bursary it became evident that a social audit instrument needs to be developed which is designed to be used by farming families. This instrument will assist families in identifying their strengths and weaknesses across the range of identified social barriers. I am working on the development of this instrument through the NSW Department of Primary Industries.

**Objective 3: Create a marketing program to promote the ‘Positive Farming Footprints’ program**

A marketing plan was developed with in-kind assistance from a personal friend, Sarah Hinman who is an experienced marketing specialist. It was identified that social media and public speaking would be the most cost effective mediums to promote the Positive Farming Footprints project. The page was started in January 2015 and to date, has 600+ ‘likes’, engaging with both men and women.



*Image 5.1. Positive farming Footprints Facebook page*

The page has a reach across 8 countries (Image 5.2) with a total reach in some instances, reaching up to 2,000 people (Image 5.3). Image 5.4 shows that 73% of the likes are from women and 25% from men. The remaining 2% are from public pages such as organisations. Image 5.5. shows the reach in a 28 day period, with 10 countries being reached, with more than 4,400 Australians being reached.

Country	Your Fans
Australia	576
United States of America	13
New Zealand	7
Canada	6
Chile	1
Taiwan	1
United Kingdom	1
Spain	1

This data indicates that the page has been well received by the community and has relevance across other nations.

*Image 5.2. Positive farming Footprints Facebook page Country ‘likes’*



Image 5.3 Positive farming Footprints Facebook page total reach since creation.

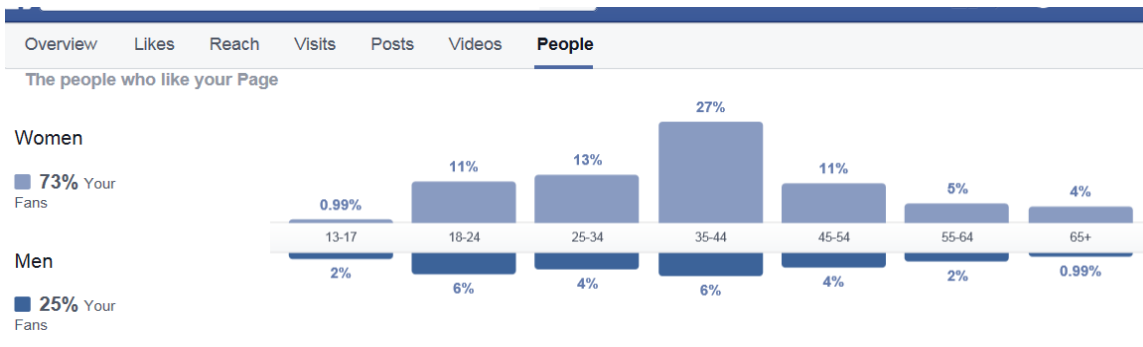


Image 5.4. Positive Farming Footprints Facebook page demographics of 'likes'



Image 5.5. Positive Farming Footprints Facebook page demographic reach over a 28 day period

## 6. Recommendations

During the course of the 18 month period, I have given presentations to a diverse range of audiences, ranging from farming families, through to community representatives, industry representatives and Government officials. On each occasion, I have had a very positive response to the ‘Positive Farming Footprints’ project, with many farming families commenting that a resource, such as a social audit tool is desperately required.

I have also found that Government staff are interested in the project from an engagement perspective and wanting to understand better the challenges which sit behind the adoption of the methods they are encouraging farming families to adopt.

The benefits to the Australian agricultural industry, should a stronger approach towards managing the social barriers to progress, will be significant. At present, family owned businesses are the majority of producers on a national scale. Without an improvement in their social capacity and business acumen and an overall increase in their resilience, families will struggle to leave a healthy, functional asset to the next generation.

Currently, there is concern that the next generation is not returning to farming. The loss of inherited knowledge about landscape function and suitable systems for that region has the potential to damage natural resources, undermine existing best practice, and erode the existing capital. It’s this next generation who can introduce the business acumen required and bring into agriculture their experience, skills and new-age thinking.

### **Recommendation 1: *Creation of a Social Audit Tool***

There is a need to develop a farmer friendly, easy to use instrument which steps families through the various social barriers to progress. This process will assist the farming family to identify areas of weakness and strength. It is suggested that families use this information to make a resource allocation (energy, time and funds) to manage the weak points and additionally, celebrate their strengths.

My recent appointment to the role of Project Manager Education for the NSW Department of Primary Industries enables me to work on the social audit tool and conduct a pilot in the community.

This social audit tool will be the key component of the ‘Positive Farming Footprints’ project, being accessible to all farming families and small business.

### **Recommendation 2: *Implementation of Enterprise Facilitation across rural Australia***

Enterprise Facilitation is a program where community drives the success of its local businesses. It encourages innovation, the creation of new businesses and improvement of existing businesses and helps to overcome obstacles preventing progress through creative collaboration.

The vast majority of small rural communities now struggle to prosper. The lack of cash flow or surplus cash, existing in the surrounding farm family businesses impedes local economic development. Prosperous farm family are critical in supporting local business.

The implementation of a large scale Enterprise Facilitation program has the ability to foster existing businesses, especially agricultural family owned businesses that cannot afford expensive consultant

services, or would prefer to seek the assistance of someone they feel they can trust on a one-on-one basis.

Under current Drought Preparedness strategies, there is a focus to develop the business skills of farmers to increase their resilience and long term sustainability. The reality is that farming families do not have the skills, capacity and/or confidence to become astute business people across all aspects of the business. Therefore, a support mechanism, such as Enterprise Facilitation, can create networking opportunities whereby external skills and resources can assist in reigniting passion, assist with problem solving, create opportunities and fill skills gaps within a farm family business.

Enterprise Facilitation extends beyond farming families and has a role to play in all small business. One of the key principle of Enterprise Facilitation is the community board structure which acts as a networking group. It does not play a function in assessing business viability, or business concepts. It simply acts as an enabler; using human creativity to assist people in overcoming barriers to progress.

The cost of Enterprise Facilitation is initially high, with \$150,000 being required for the first 18 months of training and support for a region covering a 150km radius, or population of 50,000. Once this has been undertaken, and a Master Enterprise Facilitator in function, the cost will only be that of the Enterprise Facilitators across rural communities. This would include salary, motor vehicle, IT and other on costs.

I see an opportunity in Australia, using technology and existing networks, for the scale of an Australian rural Enterprise Facilitation program to cover a larger area; possibly double the scale being promoted by the Sirolli Institute. Travis Bates of Rio Tinto at Singleton NSW grew up in remote South Australia and through his experience with Enterprise Facilitation also believes that the scale can be increased across the rural demographic.

Although Business Enterprise Centres (BEC) exist, they have had a very low (<5%) engagement level with agricultural businesses (pers. Comm Robyn Hobbs, Commissioner for Small Business). The BEC's appear to suit the 'urban' business model, but are ineffective in reaching the rural audience. Therefore, it's essential to consider a different model to support farm family businesses.

If we can work with farm family businesses to increase their resilience, business acumen and profitability, they will have surplus cash in which to spend in their local communities; driving economic prosperity.

This recommendation would require buy-in from a diverse range of stakeholders with a joint approach to market agriculture as a career path and to also provide the training, tools and resources to develop entrepreneurial thinking in agriculture.

### **Recommendation 3: *Establish an Institute for Farm family business***

Farm family businesses are one of the major contributors to food and fibre production which plays a critical role in the survival of humanity. The establishment of an Institute which is dedicated to farm family businesses and serves the following functions would be beneficial:

- Be a hub of information on topics relevant to farm family business. For example, it could be the central hub for information relating to succession planning and managing holistically.
- Provide training and capacity building services which build business acumen. Such training could include the Trinity of Management, Consensus, modern business planning, succession planning, Holistic Management and so on.

The Institute would have a holistic focus, not just focussing on production matters. It would promote a quadruple bottom line approach to agriculture and develop a modern entrepreneurial framework for



agriculture which is attractive to new entrants to agriculture and shapes agriculture as a prosperous career choice.

## 7. Budget

A bursary of \$10,000 was received to be used on this project.

<b>Item</b>	<b>Description</b>	<b>Amount</b>	<b>Note</b>
<b>Travel</b>	<b>Airfares Accommodation Hire car Public transport Meals</b>	<b>\$6,200 \$2,310 \$2,500 \$87 \$1,900</b>	<b>Personal funds contributed towards travel expenses</b>
<b>Reference Materials</b>	<b>Book purchases, subscriptions</b>	<b>\$830</b>	
<b>Training</b>	<b>Trinity of Management Enterprise Facilitation</b>	<b>\$1500</b>	
<b>Marketing</b>	<b>Facebook page Marketing plan</b>	<b>\$0</b>	<b>In-kind assistance provided to develop a marketing plan</b>
<b>TOTAL</b>		<b>\$15,327.00</b>	

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