

## **Report on 2011 Worshipful Company of Farmers Advanced Farm Management Course**

The course was held at the Royal Agricultural College, Cirencester between the 22<sup>nd</sup> of January and the 11<sup>th</sup> of February 2011. Participant numbers were 17, with one delegate not attending due to medical reasons. There was one delegate each from Holland, Poland, Australia and Wales with the remaining 13 from England. Industries delegates came from included arable cropping, potatoes, estate management, academia, banking, dairy, commercial real estate, beef, lamb, free range pigs, vegetables, apples, pears and corporate farming (Velcourt). The course in its scope is similar to the Rabobank EDPPP conducted in Australia and New Zealand and the TEPAP course conducted by Texas A&M University in the USA.

One of the most valuable aspects of the course was the psychometric testing. This was a multiple choice questionnaire where a psychometric profile was developed and then discussed with the presenter in private. I found this quite interesting as it gave one an insight into how one works in teams, relates to people and approaches problems. Having done some of these Myers Brigg type tests before, I found it interesting to see how my personality has changed over time.

There was a strong case study focus of the course. Delegates had to document and present a 5 year business plan with goals and objectives for other delegates to comment on and scrutinize. This was quite valuable for me as it can be easy to get bogged down in day to day management without having the opportunity to put your head up and review the bigger picture of one's business and undertake some strategic planning. Personally, I regarded this as one of the most valuable aspects of the course.

The second case study focussed on Waitrose supermarket chain, which has about 4-5% market share in the UK but targets the more affluent and discerning supermarket customers. It would be like an upmarket Harris Farm markets or David Jones Food Hall but on a national scale. We had introductions to their business and some of the issues they see at the retail end moving into the future, two of the principal ones being a focus on environmental sustainability and sourcing product as food security pressures possibly increase in the future. This case study focussed on the pig and beef supply chains and ways this could be improved for Waitrose.

The third case study focussed on the dairy and arable business of Robert Cooper and included a farm visit. Robert's daughter was returning to the business so we had to offer advice on Robert's succession and a SWOT analysis of the dairy and arable business as well as ideas to improve the business in the future. Delegates were divided into teams for this case study and had to make a formal presentation to Robert and his daughter Laura. Again, it was great for me personally to be able to look at some of the strategic issues surrounding different agricultural businesses globally.

There was a significant amount of focus on Europe and in particular the Common Agricultural Policy (CAP) which is due to be renegotiated by 2013. A number of presentations on the history of the CAP and various lobby groups thoughts on how it would change by 2013 were discussed and it was interesting to see how it plays such a dominate role in both UK and EU agriculture. There will be some cutbacks as the present EU Agricultural Commissioner Dacian Ciolos is focuses on improving the lot of small farmers and the environment in developing Eastern European countries. How this resonates with Western European countries that pay most of the bills for the EU will be interesting

to watch. One change to the CAP suggested was that there will also be a greater focus on Tier 2 or environmental payments for stewardship schemes at the expense of Tier one schemes which are linked to agricultural production.

Professor David Hughes from Imperial College spoke on marketing, which focussed on changing demographics and cultural issues globally and how these will affect food demand. Other issues were the changing nature of supply chains as food security begins to increase in prominence and the power of supermarkets and how they are driving the agenda on more sustainable food production which is being pushed back onto large food manufacturers and eventually farmers.

Rob Napier from Orange, Australia gave an excellent presentation on global farm management and the importance of goal setting and strategic planning. This was interesting as it challenged us to compare ourselves globally to other commodity producers and to be a lot more strategic in our businesses. Two of the big issues Rob identified that will be significant in the future were energy and water and how we manage these risks in our business.

Farm visits included a visit to the Royal Agricultural College farm, a visit to the Bathurst Estate (which adjoins Cirencester), Robert Cooper's dairy farm (which formed the basis of the third case study) and Chris Musgrave who manages several large estates on the Marlborough Downs who gave a fascinating presentation on the diversification opportunities available to UK agriculture. In his case he had commercial office space, a large horse centre, equestrian and gallop facilities, shooting, arable and livestock and a number of EU environmental schemes. This occurred to the extent that only 26% of his income came from primary production, with the environment (39%) and contracting (35%) accounting for the remainder.

Other topics included dealing with the media (including a dinner presentation from the Emma Penny, the Editor of the Farmers Guardian), discussions on international farm management, succession planning, supply chains, capital investment appraisal techniques (including NPV, IRR and payback), time management, superannuation planning, environmental schemes and farming, GM, staff motivation and development and lobbying.

On the whole I would thoroughly recommend the course to other Australian Nuffield Scholars. Not only do you get to make new friends and join another agricultural network (and hopefully get invited to shoot a few pheasants from time to time!!) but the course is also a good introduction to the principles of farm management and also exposure to the issues confronting another major agricultural producer, consumer and exporter in the form of the UK and EU. The key highlights for me were the psychometric testing, case studies, the visit to Chris Musgrave and talks from Professor David Hughes and Rob Napier. Undoubtedly we will see some of the environmental pressures and consumer concerns that the UK is under introduced to Australia in the next 5-10 years. The only question is will we be paid for environmental services like UK and EU farmers are through the CAP?

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