

## **The Executive Program for Agricultural Producers 2017 Report**

**By Michael Lyons, 2014 Nuffield Scholar**

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It was a privilege to attend The Executive Program for Agricultural Producers (TEPAP). I am very appreciative of the "Lorna and Bert Kelly Memorial Award" that covered the majority of my course costs and ITravel Griffith who covered my flights. These are generous sponsors and without their assistance this opportunity would not have been possible.

The program is held annually in Austin, Texas USA and is held in very high regard among agricultural producers particularly in the USA and Canada. The program is restricted to 50 participants per year through an application process. There were a range of producers in attendance including beef, dairy, pigs, broadacre crops, vegetables, feed-lotters and greenhouse growers. The attendees were from all over the USA and Canada plus two Australians. There was also quite a range in size of operations from single operators to family farms and agricultural businesses with up to 150 employees. Interestingly, the total assets under management of the 50 attendees was just over \$900,000,000 which made for a stimulating group.

The program ran over seven days with high level speakers presenting throughout the day followed by roundtable discussions with the presenters and hospitality at night. It was certainly a high intensity week. Following are some highlights:

### **Family Business Management**

Lance Woodbury emphasised the need for a shared vision and shared core values for a successful family business. He also reassured us that conflict is normal and if managed, can be very useful for a robust business. He outlined a process for managing conflict reinforcing the importance of reflection, emotional intelligence and communication skills. "In the absence of a good story, people make one up. Communication is the oil."

### **Financial Management and Process Improvement**

Dick Wittman is an experienced manager of his family's multigenerational farming business and an agricultural consultant. He spoke about professionalising agricultural businesses through analysis of key financial ratios, differentiating between managerial and taxation accounting, responsibility centres and organisational charts. He also spent time illustrating how working on the business by developing Standard Operating Procedures, auditing Process Improvement objectives and Rewarding / Incentivising improvements can both prevent problems and improve the business.

### **Megatrends and Better Business Strategies**

David Kohl was an amazingly engaging speaker who spoke about megatrends around the World then brought it closer to home by looking at strategies to improve our businesses. He emphasised ensuring businesses have good access to working capital to prevent untimely sales and allow you to capitalise on depressed values, keeping family living expenses modest, investing in productive assets, "getting better" at your business before "getting bigger" and becoming a lifelong learner.

### **Human Resource Management**

Michelle Painchaud stressed the importance of developing the culture in your workplace because culture will drive performance. She identified the 3 reasons for poor employee performance as a lack of clear expectations, lack of skills and/or resources and a lack of feedback. As a manager, it is

important to reinforce behaviours that we want repeated and redirect behaviours that we don't want repeated. We need to see ourselves like sports coaches, giving regular feedback.

### **Strategic Management**

Allan Gray spoke about the challenges of managing growing pains in business by moving from an entrepreneurial approach to a professional approach to business. The key component is spending more time planning and documenting those plans. When developing strategy, it is important to diagnose the issue, then develop a guiding policy and, finally, create an action plan that will win in the marketplace.

### **Public Relations**

Moe Russell explained the cycles in agriculture and a strategy around bullet-proofing your balance sheet during the good times by building working capital, maintaining strong equity, keeping fixed costs low and taking a profit when it presents itself and meets your goals. He suggested making proactive Public Relations plans to deal with activists, neighbours, the press and key influencers in the community. He stressed that nobody can tell your story like you can.

### **Peer Advisory Groups**

Danny Klinefelter and numerous speakers spoke of the benefits of peer advisory groups. Some of the advantages included multiple perspectives, sounding board for ideas, constructive feedback, benchmarking, support and accountability, plus being pushed outside your comfort zone.

### **Overall**

It was good to see overlap in the presentations e.g. the importance of working capital reserves, which further emphasised the importance of those issues. Overall the message was to take control of the things we can control in agriculture and we will be much better placed to handle the challenges. Finally, I would like to reiterate my thanks to the Kelly family and iTravel Griffith for their financial assistance, Nuffield Australia for selecting me to attend, my family for managing the property in my absence and my fellow TEPAP participants whose good humour, experiences and sharing made the program so enjoyable.

### **The participants of TEPAP 2017 – Unit 1**

