



2014 ASSESSMENT OF TRAINING NEEDS – BUSINESS

Overcoming Challenges and Capturing Opportunities



Dalhousie Faculty of Agriculture:
Regional Leadership & Impact
Extended Learning

Introduction

Extended Learning staff from the Dalhousie Faculty of Agriculture conducted a business training needs assessment for the Nova Scotia agricultural industry in September, 2014. Key industry experts participated in a focus group to identify ***what farmers and agri-business operators need to do better, or differently, in order to improve the business efficiency and profitability of their operations.***

The focus group participants generated an insightful and forward thinking synopsis of the desired impact and learning outcomes for business training for farmers and agribusiness operators. The results were reviewed and validated by other key industry experts, and now we are sharing the results with a wider group of agricultural producers, key industry experts and industry groups in the Atlantic region.

We invite you to review the results in this document and forward comments to:

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Also, please circulate these results to other agricultural producers and key industry experts for their review.

The Process

On September 19, 2014, key industry experts were asked to participate in a focus group to draft the desired **impact** and **learning outcomes** for business training for farmers and agribusiness operators in Nova Scotia. The focus group was initiated and facilitated by staff from Extended Learning at the Dalhousie University Faculty of Agriculture.

The focus group consisted of:

- 1 leading agricultural producer
- 1 representative from FCC
- 1 representative from NSDA
- 1 representative from the NS Farm Loan Board
- 2 private business consultants

The results of the focus group were circulated to other industry experts for feedback:

- 1 representative from PWC
- 2 faculty members from Business & Social Sciences, Dalhousie Faculty of Agriculture
- 1 additional representative from NSDA
- 2 additional representatives from FCC
- 1 additional representative from the NS Farm Loan Board

This feedback was incorporated, and the results are summarized below.

Next Steps

- Share results with other agricultural producers, key industry experts & industry groups in NS, NB, PEI, and NL.
- Use results to develop a "Business Training and Development Plan"
- Work with industry groups/training partners to identify possibilities and formats for training

Results will also be shared with degree/technical program representatives and committees at the Dalhousie Faculty of Agriculture, for program planning purposes.

Results

1. Training Impact = The change we want to see as a result of the training

As a result of the training, there will be an increased number of farmers/agri-business operators that:

- think of farming as a business that supports their success
- manage their business considering the financial and risk implications of every decision
- make management decisions based on evidence rather than gut feel
- treat the strategic plan and business plan/planning as a living document and management tool

2. Learning Transfer = What they need to be able to do when they return to their businesses, in order for these changes to come about

Prepare & Plan for Future Success

- Assess business viability
- Ensure business sustainability
- Understand & use the process of strategic & business planning
- Define what success means to them and articulate their goals/objectives
- Recognize/understand all aspects of their business and where it fits in the industry
- Use sensitivity analysis/stress testing (“what if” scenarios)
- Develop contingency and risk management identification and mitigation plans
- Review the capital structure of the business and adjust as necessary
- Establish and track monthly goals for progress (framework)
- Measure success

Manage Information

- Research/source credible information
- Recognize what a good record keeping system requires and implement a system that suits their business and meets the needs of all stakeholders
- Keep detailed & relevant records for all aspects of the business
- Compile good information/summaries
- Use the information to effectively manage their business

Produce and Use Financials

- Set up a schedule for producing financial statements that works for the business and the stakeholders
- Oversee the production of good financial statements that provide insight regarding the contribution of all aspects of the enterprise
- Read & interpret financial statements
- Use financial analysis tools to assess the impact of management decisions on the business
 - Use financials & DFNS Reports (production, components, quota, sales, leasing, use of incentive days etc.) to analyze financial soundness and make decisions
 - Use cash flows to analyze financial soundness and make decisions (e.g. equipment purchases)
 - Use herd inventory information (e.g. cows/kg quota, production/cow, # heifers etc.) to analyze financial soundness and make decisions
- Prepare a list of key questions for accountant and other advisors when you conduct a review
- Produce detailed information on the various costs of operating the business, including cost of production, fixed, variable and discretionary costs
 - Use expenses (fixed & variable/operating) and operating expense ratios to analyze business financial soundness and make decisions
- Analyze business decisions (projections, payback analysis, break even analysis, internal rate of return, ratios analysis etc.)
- Recognize the value of, and use, enterprise analysis

Market Their Products

- Analyze market and market access channels
- Calculate product prices to ensure profit
- Identify what support for marketing efforts is available
- Recognize and build on new & existing value chains

Build and Nurture Relationships

- Manage human resources (esp. temporary workers)
- Manage stakeholder relationships
- Recognize the importance of having a support team (lawyer , accountant , banker etc.) and how and when to lean on each of them
- Select the right advisor for your needs and approach
- Communicate with stakeholders about all aspects of the business that impact them
- Understand the issues surrounding succession planning

Manage Major Projects

- Recognize the value of project planning and management
- Oversee project planning and management
- Produce a cost/benefit analysis for all investments
- Assess project viability

Identify and Mitigate Risk

- Identify potential risks that could impact the business
- Develop appropriate risk mitigation strategies
- Identify early warning signs of financial problems
- Recognize the importance of identifying and dealing with stress
- Identify resources for early intervention – who to go to for advice when things start to go wrong

Thank you for reviewing this document and taking the time to comment. We would also like to thank the participants and reviewers in the September, 2014 focus group and review. Your time and insights have made this a rewarding and valuable process!

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