

Changing conditions require higher level of entrepreneurship for farmers

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■ Content of the presentation

- Why is entrepreneurship and strategic management now so important for farmers?
- Method Interactive Strategic Management
- Explanation of an ISM training for farmers
- Leonardo da Vinci project transfer of innovation with Poland, Lithuania and Slovenia

Why is strategy now so important for agriculture?

- Major changes in (the environment of) agriculture:
 - In EU\government policy:
 - From agricultural policy towards rural policy
 - Defining preconditions (quality control, environment, animal welfare)
 - In society:
 - Less influence farmers unions
 - More influence NGO's and retail
 - In market:
 - Globalization
 - Diversification of markets
- No clear direction available for the future for all farmers

Why is strategy now so important for agriculture?

- All these changes are leading to new challenges for farmers.
 - A farmer should not only be a craftsman, a hard worker and a manager, but also needs to develop a long term strategy for a successful future.
- LEI-WageningenUR has developed a method to support farmers in strategy development.
 - Implemented in several projects and sectors
 - Used in education
 - In young farmers succession program of Rabobank
 - Based on train the trainer

Interactive Strategic Management farmers training

- Several workshops and trainings have been developed based on the ISM method.
- Focus on a three day farmers training
- Main goals of the training:
 1. Develop skills of farmer to develop strategy (= to handle changing environment)
 2. Develop a strategy with actionplan

Interactive Strategic Management

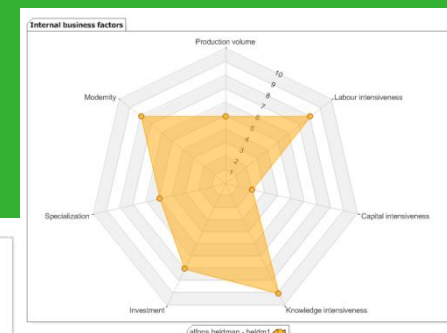
- Focus on strategic choices (1-5 years), not on operational (daily) or tactical choices (up to 1 year)
- Basis principle: a good strategy is based on a good match
 - Entrepreneur: ambitions and skills of the farmer and family and/or employees
 - Enterprise: structure and performance of the farm
 - Environment: market and society

Interactive Strategic Management farmers training

- Group of 8-10 farmers: 3 meetings.
- Interactive method → farmers discuss with each other
- Important role facilitator
- Use web based tool
- Home work assignments: to interact and reflect

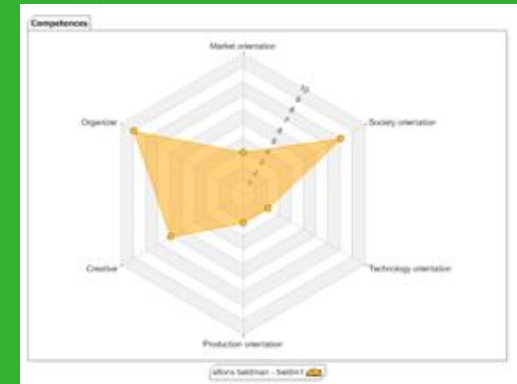
Farmers training: program day 1

- Getting acquainted (What would your job be if you would not be a farmer?)
- What is strategic management
- History and development farm and farmer
- Working with tools
 - Analyze enterprise (farm structure and performance)
 - Analyze environment (market and society)
- Home work assignment
 - Talk with an entrepreneur outside agriculture

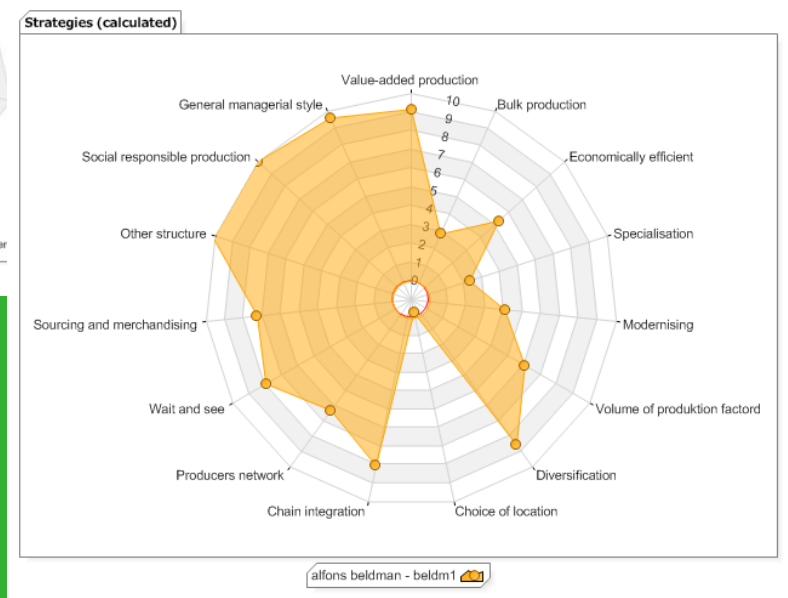
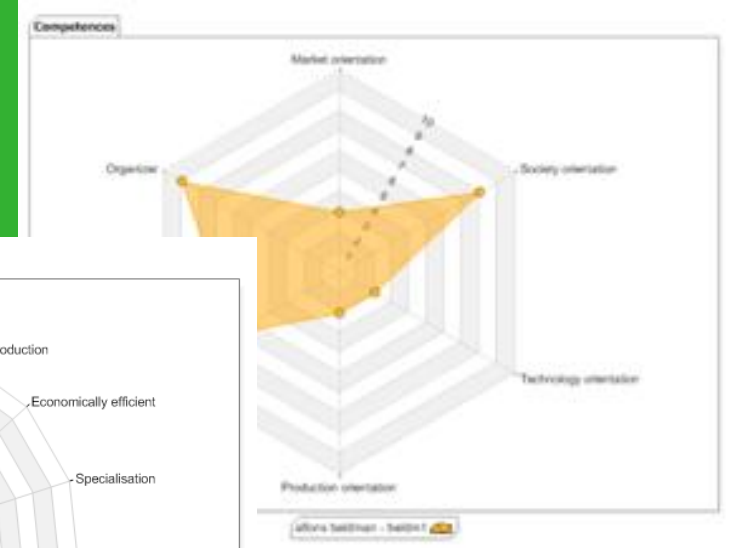
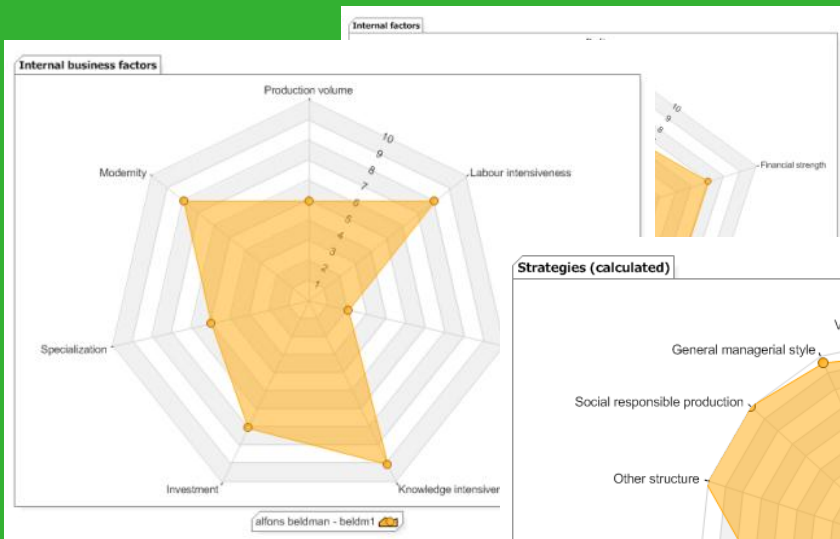


Farmers training: program day 2

- Presentation of homework assignment
- Entrepreneur: skills
- Switch from analyzing to strategy
 - Personal ambitions and drive
 - Combining the analyses to matching strategy
 - Farmer must come up with at least two strategies!
 - Consistency check with SMT
 - Crucial step in training!!



From analyzing to strategy



Farmers training: program day 3

- Presentation of farmers: analyze current situation, chosen strategy and action plan
- Reality check (e.g. investment tool, first steps in actionplan)
- Reflection from trainer and other farmers
- Action plan!

Farmers training: program day 4

- 1 year later return meeting: presentation of developments since the training
- Plans are probably adapted: this is OK! Explain which factors changed or which developments made you change your plan.
- If possible facilitator has contact with the farmers after the training and before the return meeting

ISM training program:

Day 1

Day 2

Day 3

Day 4

Enterprise

Entrepreneur

Reality check

Return
meeting

Environment

Strategy

Presentation
and reflection

Leonardo da Vinci program „Transfer of Innovation“

- Project: „Study of farm development paths and the role of an interactive learning methodology on strategic management and entrepreneurship of dairy farmers in Eastern Europe“
- Project partners:
 - Warsaw University of Life Sciences, Poland
 - University of Ljubljana, Biotechnical Faculty, Slovenia
 - Lithuanian Economic Institute
 - LEI Wageningen UR, The Netherlands
 - Joniškis Agricultural Vocational School in Lithuania
 - Cattle Associations from Lithuania and Slovenia
 - Agricultural Extension Lithuania, Poland, Slovenia

Leonardo da Vinci program „Transfer of Innovation“

- ISM training is implemented in three countries in the beginning of 2012.
- About 150 dairy farmers and about 30 agricultural students will be trained altogether in Lithuania, Poland and Slovenia.
- Effects of the trainings will be measured and analysed.
- Results will be available in 2013

First impression of lessons learned

- Based on interviews trainers and evaluation by the farmers
- Critical Success Factors (1)
 - Timing in the season
 - Trained trainers – key role for facilitator
 - Have the right farmers in the training
 - Motivated to discuss about strategic choices
 - Willingness to share data and views with colleagues and trainer
 - Manage expectations

First impression of lessons learned

- Critical Success Factors (2)
 - Motivate farmers to be involved
 - During training involved in interaction
 - Home work assignments
 - Work towards a personalized strategy
- Strong focus on interactive way of working is new for farmers and advisors

Questions and discussion



- More information:

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