

Good Governance and Investment Refresher workshop – Brisbane



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Following on from the Good Governance and Investment sessions held in Maleny and the Gold Coast during 2018, David Heinjus, from Rural Directions, revisited the Subtropical Dairy region to facilitate a refresher session in Brisbane on 29th November, 2019. The Good Governance and Investment workshops are aimed at moving participant's heads out of the space of management of daily operations on farm and more towards thinking in a strategic sense. Whilst the northern dairy region and industry is facing an increasingly challenging environment and taking time away from the business is extremely difficult, sometimes the 'wrong' time is actually the 'right' time to get off farm and refocus and reclarify direction.

The first half of the refresher workshop focused on revisiting each business's journey between the initial workshop and the refresher workshop: what did participants remember?; what did they learn?; what have they implemented?; what have been the hurdles?; and what questions did these things generate?

Feedback from participants following the initial workshops was extremely positive. Revisiting the journey, learnings and challenges with participants 1-2 years down the track showed some tangible growth in both individuals and their businesses.

Some of the learnings and implementations from the previous workshop are summarised below:

- An understanding of business governance and policies and procedures;
- Engaging a mentor group to help move the business forward or choosing professionals to assist with decision making and analysis;
- Break even analysis of business decisions and purchases;
- Investigating options of working differently to move the business forward rather than just running around and being busy;
- Operating and thinking more strategically even when in crisis mode when it is so easy to be drawn into the day-to-day operational activities;
- Understanding the different levels of business – from employee to self-employed to

owner manager then owner leader and finally entrepreneur and the pros and cons and characteristics of the different levels. Choosing where to operate – it may be different for individuals in the business;

- The importance of the culture in a business. A business's culture will eat the strategy every time;
- The concept of Advisory Boards and the value of taking time to work 'on the business' not 'in the business'.

Barriers and hurdles that participants identified included:

- Extended poor seasonal conditions and potentially running out of water;
- Battle weary or fatigued with managing the extended period of challenging industry conditions– unable to see the opportunities and future directions because people are too fatigued;
- Evaluating potential business improvements appropriately – how to do a Partial Budget – making an unbiased decision on whether to proceed;
- Continued alignment with business partners when you are comfortable operating in different managerial levels;
- Spending too much time on other things away from the business;
- Refinement around Key Performance Indicators (KPIs) of Board members, responsibility, accountability;



Photo 1 Participants of the Good Governance and Investment refresher workshop discussing the journey so far.



Photo 2 David Heinjus, Rural Directions, plotting the 5 year plan on the wall. A great visual tool to share direction and prompt discussion in a business.

- How to prepare a Board Charter;
- In survival mode, haven't made time to implement some things or investigate them further.
- Aware of concepts during the course, but the practicalities are more complex and may need some expertise to make it all come together successfully.

Based on the group's learnings, implementations and hurdles the group decided on an agenda for the remainder of the workshop.

The first item addressed was completion of a partial budget to decide on the purchase of capital in a business. As a group David guided participants through a Partial Budget template focusing on the acquisition of activity collars for a dairy herd looking at potential losses and gains.

The next area of focus was putting together a Board Charter for a business – the how, what, when, where and why of a business's Board and its operation.

Putting together a 5 year plan was the final agenda item for the day. This process started with a Goals Canvas looking at both personal and business goals, with each participant working individually on their own business. David then moved to a more visual approach and mapped the plans on the wall using 'sticky notes'. The five years were split into quarters and the goal, the 'steps' along the way and the associated benchmarks were mapped on the wall.

As a wrap-up for the session David asked each participating business to complete his Family Corporate Readiness Scorecard, which is a benchmarking tool he has developed to help a business move to the Owner – Leader business level and indicate how close a business is to being investment ready. ■ ■ ■