

CASE STUDY



Rebecca Warburton, Farm consultant, Hunterville

FARMERS HELPING FARMERS IN RANGITIKEI

Rebecca and Dave Warburton have spent the past 12 months working with Beef + Lamb New Zealand to trial BRIG, or Beef Returns Improvement Group.

BRIG is the couple's brainchild and is supported by a strong local farmer committee. Using software from Hamilton-based company FARMAX, it involves monitoring and benchmarking 10 farms in the Mangamahu, Apiti, Taihape and Hunterville areas for three years.

It involves helping each farmer individually, while also using their farm data to create a whole farm FARMAX model for the region, and sharing it with the entire community throughout the project as it evolves.

YEARS IN THE MAKING

Seasoned agribusiness professionals, Dave is a vet at the local Hunterville Vet clinic and Rebecca is a farm consultant with more than 12 years' experience in financial management.

After years of conversations with farmers, consultants, vets and other rural professionals, they decided it was time to come up with an extension programme that would benefit the entire community – because what they had wasn't working.

"The current extension model we have is a field day telling farmers what to do and then we walk away. But there's a big gap where we need to be helping farmers implement what they have learned on-farm. And a powerful way to do that is through the experiences of farmers in the community – farmers helping farmers," says Rebecca.

"The tools and processes used by BRIG are being used by rural professionals and some farmers, but I am not aware of any other programme with such a clear focus on farmers helping farmers by creating a farm model for a community and sharing it with the community at no charge – and that's where the project is unique."

Beef + Lamb New Zealand's Red Meat Strategy,

released in 2011, highlighted how great the profit gains can be achieved by better managing a farm's physical and financial information together.

THE RIGHT INFORMATION

Rebecca says at the end of the first twelve months, they are building towards being able to generate some powerful information from the project. "We will soon be able to present financial and physical benchmarks to the community and start to talk about how to use the information. This process provides an avenue for other farmers to get involved by being able to benchmark their businesses and talk with local farmers about how they are going about the process of data collection and how they are using this information to enhance their decision making."

Dave Warburton says that although the drought did make the past season difficult to use as a benchmark year, it highlighted the need for farmers to make more informed and proactive decisions.

MAKING THE HARD DECISIONS

"It is not uncommon for farmers to stall making decisions during a drought and exercise a 'she'll be right' attitude. But with a good feed budget, many of our BRIG farmers made decisions two to three weeks out, they bumped stock earlier and got better prices at the sales. As a result, they recovered more quickly from the drought and maintained the condition of the stock they still had on farm."

Dave says one particular aspect of farmer behaviour that has stood out has been the variation on their speed to adopt.

"Every farmer is an individual with individual strengths and needs. As a result, some farmers have quickly got into a routine of recording farm data and sending it to us for analysis," he says.

"Some of these farmers went a step further and began to see how they can use the information to validate

"...It was time to come up with an extension programme that would benefit the entire community..."



their instincts and give them more confidence with their decision making, especially during the drought.

“Others have found it challenging to make time to gather information and send it to us. There are a variety of reasons for this.

“These farmers are not worse than others. They simply focus on different aspects of their business and derive more enjoyment from these other aspects. We hope to show these farmers that a small amount of data collection and the use of great tools like FARMAX, minimum effort can produce significant results in enhancing their business planning and decision making.”

FARMERS HELPING FARMERS

Rebecca adds that they have also observed that farmers need on-going support to put new processes in place.

“We have developed what we believe is the minimum amount of data to collect to provide effective use of tools like FARMAX so they are providing powerful feedback into the farm businesses,” she says.

“Simply giving farmers the framework and templates does not result in very high uptake of the information. This is reflective of differences in individual people and how they behave, not just farmers.”

Rebecca says it’s important when starting to monitor farm production that the farmer has something to compare with each month and she believes FARMAX can help.

“It creates momentum around the developing skill of measuring and monitoring the farm business. We also wanted to explore and demonstrate the benefits of physical and financial analysis to build a picture across three years, within the first year of the project – which we have been able to with FARMAX.”

BRINGING THE DATA TOGETHER

She says after the first year, each of the 10 farmers now has three types of farm analysis: a financial only analysis (2010/2011), a historical financial and physical analysis (2011/2012) and measured financial and physical analysis (2012/2013).

“FARMAX doesn’t just organise and analyse data in a logical way, it creates models to forecast outcomes that you just can’t do with spread-sheets or notes in diaries. It also presents the information in simple,

visual ways, using graphs to represent results, rather than screeds of numbers. It is very easy to get a useful result straight away in FARMAX.”

After the initial models were created, the farmers have added new information each month, building a complete overview of everything that is happening on their farms, from finances to pasture management, cash-flow to animal management.

“We started monitoring on 1 July 2012. As we’ve captured new information we’ve compared it to the historical model. We’ve started creating comparable benchmarks, seeing trends, getting real time information and being able to make decisions based on what’s actually happening; no anecdote, no theory - the real story,” says Rebecca.

“Over the next three months, the community will be able to see three different levels of monitoring and benchmarking. They will be able to identify what level may suit them or alternatively start with a financial analysis working towards gathering enough information to complete a full financial and physical whole farm analysis.

“...It is very easy to get a useful result straight away in FARMAX...”

By demonstrating what is possible in respect to business analysis and monitoring and working with farmers to share their experiences with other farmers will ensure farmers are able to assess what they need for their business.”

GETTING INVOLVED

While Beef + Lamb New Zealand funding pays for the majority of the work, the farmers have also contributed financially to be involved, and must undertake to explore a beef related topic of their choice and share the results with the community.

“While we have a focus on beef production, we are completing a whole farm analysis, because the danger of focussing on one aspect of a farm business is you can make gains in one area at the expense of another, and the net result is no change.”

Community interest in the project has already been positive with good feedback at local field days and through the BRIG web site www.brig.co.nz, which is updated with new information every month, and includes resources on a variety of farm processes.

BRIG received funding from Beef + Lamb New Zealand. The project is funded for three years. FARMAX is also supporting the project.