Business Management for Agricultural Leaders.

I was fortunate to attend the 63rd Worshipful Company of Farmers Advanced Business Management course at the Royal Agricultural University, Cirencester in January. Sentry has a history of supporting the course and I was following in the footsteps of many of my Sentry colleagues who have all benefited greatly from the experience.

It was interesting to learn a little of the history of the Worshipful Company of Farmers which is one of many City of London Livery Companies which were originally trade guilds to regulate the crafts and professions within the square mile of the City of London. Some livery companies have been active since 1155 but farmers were not represented until after the second world war. Although Agriculture is one of the oldest and most important industries it was not represented until much later because it operated outside the limits of the city walls unlike its related trades of butchers, Bakers, Poulters, Fruiterers and Woolmen.

There were 22 delegates on the course including farmers, farm managers, two consultants, a banker and delegates from Australia, New Zealand, Germany and Portugal. The calibre of the delegates was reinforced by the presence of four Nuffield scholars.

The tone was set on the first evening when our first task was to draw our lives including Family, Pets, Cars, Music, Hobbies, Holidays on a whiteboard before describing them to the whole group. The next session was psychometric testing from which we learnt amongst other things our management style and compatibility with other others.

Throughout the first two weeks we presented our own businesses in a 5 minute overview and then a 20 minute presentation before selecting 4 businesses for in depth case studies. All of this took place under ‘Chatham house rules’ and the level of trust and friendship grew quickly with people talking openly about their business and family challenges.

Between group work on case studies there were industry speakers including farmers, scientists, marketing and renewables consultants, the Tesco agriculture director and the president of the NFU. All were passionate about their subjects and keen to take questions and discussion.

Without exception the speakers were upbeat and positive about the outlook for agriculture in the next few years. The predicted 9 billion world population would see demand for food rise. Volatility it was said would present opportunities for those managers that learned to manage it effectively. However we were told that the biggest variable in your business is YOU and there will be no golden age that changes the fortunes of all farmers. Success will only come to the best and most efficient producers and the gulf between the top 25% and the rest is growing and has probably never been wider. This was demonstrated on off site visits to dairy farms where we learned that following a recent 5p per litre milk price rise the top producers are making up to 12p profit while the average producer is making a fraction of that and struggling to re-invest.

Everyone took something different away but I found myself scribbling notes such as ‘set the bar high’, ‘be the least cost producer’ and ‘start with the end in mind’. I would recommend the experience to anyone who is offered the opportunity.

Throughout the course the food was plentiful. Three weeks of fried breakfasts, cooked lunches with pudding and custard and the three course evening meals with wine took their toll and conversation turned to our daily live weight gains and feed conversion ratios. Attendance in the student bar each evening was impressive for a group of 35-45 year olds who soon began to readjust to student life. Fortunately the incessant rain prevented progress on the farms back home and reduced the guilt of being away from our businesses. Close ties were formed within the group and a reunion is already booked for a weekend in June.

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