

BUSINESS MANAGEMENT

Information Sheet

Most farmers and graziers in Australia would refer to themselves as primary producers operating an agricultural enterprise. This highlights what is different about them compared with most business owners in Australia.

As a small business owner however, there are many issues, concepts, compliance requirements, legislation and processes that are not unique to agriculture. This worksheet identifies some of these topics with the aim to ensure good business practices are being embraced to improve productivity, efficiencies and relationships.

Know your 'brand'

This has nothing to do with how you mark your livestock. It has nothing to do with logos, business names or products. Your brand is the perception you create in other people's minds when they think about your product or service. It is how people think and feel about who you are and what you do.

Branding is the process of creating, maintaining, reinforcing or changing a brand.

As a producer your business has a brand as does the wider agricultural industry.

The messages you share with your employees, suppliers, community, industry and others direct impact your brand.

The terminology may seem foreign but if you think about it you establish a perception or belief about everyone you meet. It is no different for business. It is just given the name 'brand'.

Understand your values

To have clarity in your message you must know what your values are.

Once you can articulate what you stand for and why you do what you do it is far easier to make decisions that sit comfortably with you. Clearly identified business values determine the way you work, the quality you offer and the way you treat your relationships.

Write a mission statement

This defines the goals of the business, what it does for the customers, employees and owners and what makes it unique. A mission statement declares the purpose of the organisation and often describes its function and objectives. Your mission statement should serve multiple functions, define your business objectives and be relevant for a long time. Write what reflects your business, your values and beliefs.

Write a vision statement

This is the long-term goal of the business. It is important to write down your big picture aspiration to present a clear mental picture of the future direction you and your team are working towards.

Clarify your USP

Your unique selling proposition or unique selling point is a marketing concept. It defines what is different or unique about your business, your product or service. It is the specific benefit you have that your competitors don't. It describes your brand and what differentiates it from others.

It is worthwhile to put some thought into this concept. Whether you are employing a stationhand or governess being able to sell the position to a prospective employee is important. If you can't think what you have to offer that is different, then perhaps you need to provide additional benefits to improve your chances of getting a suitable candidate.

Farm Profile

Write 3 or 4 sentences that describe your farm's story in an interesting way. Think about how you would describe your farm and home to strangers. Use this profile when advertising vacant positions to create an identity and give your business personality.

Human Resources Policies

Employee satisfaction is the main driver for people choosing to stay in a role or leave.

One of the most important management skills is being able to foster good communication. Individuals like to know where they stand and the ground rules they are expected to operate within.

Documented policies that reflect the values and vision of the business are essential management tools for good relationships.

The principles are the same whether or not you employ staff or family members.

Most family farms operate a business where people live. Individuals who join family businesses are entitled to know the environment in which they operate.

If you don't have a policy on houses, working conditions and holidays it is worthwhile asking 'why not?'

A family commitment to documenting these areas of operation is a step closer to achieving harmonious relationships.

Goal setting

Once mission and vision statements have been clarified it is necessary to set goals to give direction to the business. SMART is an acronym used to guide goal setting. In setting goals you can clarify your ideas, focus your efforts, use your time and resources productively and increase your chances of achieving what you want by setting goals that are -

S	Specific (or significant)
M	Measurable (or Meaningful)
A	Achievable (or Action focussed)
R	Results Oriented (or Realistic)
T	Time bound (or Trackable)

It is important to write down your goals as that provides clarity.

It is important to display your goals to provide focus.

It is important to review your goals to provide motivation.

Refer to the information sheet - *Goal Setting: A practical guide for setting goals.*