



Australian Dairy Industry Council Inc.

Dairy Leadership – An Industry Blueprint

2010 - 2015

Summary

The dairy industry wants to develop future leadership capacity to influence public policy and manage collective investments across the value chain.

Three tiers of industry leadership are needed to address district, regional, state, national and international issues.

It is estimated that there are approximately 200 required leadership roles across the industry and that 40 new people are needed for these roles each year. To achieve this capacity more than 80 people must have the opportunity to build their skills in leadership each year. These opportunities should be presented in a number of formats (for example as courses or tours) and may be run by dairy or by other industries or community groups.

It is likely to require a significant total investment each year from a variety of industry and external sources. A number of stakeholders already invest. For example, the Gardiner Foundation (through their People and Community Development program), Dairy Australia and the RDP's and the Federal Government (through the Department of Agriculture, Fisheries and Forestry, Next Gen Farmers grants).¹

An industry-wide plan would increase the efficiency and effectiveness of these investments.

It is also important that people who undertake leadership development training are provided with on-going support such as mentoring, and opportunities to fulfil real roles. To achieve this, industry organisations need policies in place to ensure that emerging leaders can participate.

¹ For a more detailed list of programs refer to the Leadership Development Directory.

What's this document?

This document is a draft outline of the whole industry's desired outcomes in leadership development, and the approaches we agree to undertake from 2010 to 2015 to achieve these outcomes.

It was drafted in 2009 with input from Australian Dairy Farmers Ltd, Australian Dairy Products Federation Inc., Dairy Australia, the Gardiner Foundation, the Regional Development Programs, State Dairy Farmer Organisations, the National Centre for Dairy Education Australia and interested individuals.

It acknowledges that many stakeholders have important separate parts to play and is based on the principles of collaboration that the entire dairy industry has identified to be successful².

Why is an industry blueprint important?

A blueprint for leadership development across the dairy industry value chain is important because it increases the chance that our outcomes will be better:

- Our efforts can be streamlined and more efficient – especially in sourcing external funds and opportunities and investing our own resources. Gaps can be identified and addressed.
- It is easier for participants to tap into opportunities – the path is clearer and more transparent.
- Joint (central) resources can be allocated to keeping stakeholders up-to-date on opportunities, and having a mechanism for 'tracking' efforts and people.
- Better stewardship and coordination maximises the chance of attracting and retaining good candidates and achieving follow-through with them.

² Building Dairy Forward, 2006: The single most important legacy identified from the Dairy Moving Forward program 2003-5 was the need to continue a collaborative approach for major industry projects, based on the approach:

- All key stakeholders are identified and engaged at the start of the activity
- The collective action has clear objectives
- Roles, responsibilities and contributions of each party are defined
- The flow of benefits is defined, with an expectation of 'win-wins'
- Processes are transparent, clearly structured and well communicated between partners
- Partners advocate the merits of the partnership and its activities (so each partner can operate with confidence to achieve the objectives).

Why invest in developing leadership?

The need for leadership across the whole value chain of the Australian dairy industry has never been greater than today. Large opportunities and risks lie ahead for the entire industry and the capacity of its leaders will play a significant role in its success³.

Good leaders have the ability to vision the future, devise strategies to deliver that future, and communicate both the visions and strategies with passion.

There is an enormous requirement for the industry to identify and skill the next generation of leaders who can act at political, company, manufacturing, processing, service, research and farm business levels.

Agriculture is highly influenced by government policy. Community and government focus on issues such as climate change, environmental stewardship, food safety, animal health and welfare and market reform is directly linked to competitive advantage. The ability of the industry's leaders to think and act for the entire industry on these issues will affect access to markets and resources.

The dairy industry collectively owns assets and invests or influences spending of hundreds of millions of dollars in industry and government funds each year. The industry is responsible for co-operative dairy companies, manufacturers and processors, Dairy Australia, herd improvement organizations, Regional Development Programs and many other industry committees that direct investment. Leadership decisions regarding business and innovation through these assets will also determine the industry's success.

Dairy farm businesses with multiple people engaged also require leadership. This is the way in which all the people on the farm bring procedures and technologies together to achieve defined outcomes. Owners must enable staff leadership development (that includes interaction with service providers) for their businesses to achieve their goals.

Good leaders have the greatest impact when the people they serve are well informed and engaged with their industry. If farmers and service providers decide to become involved – to participate in industry activities – they are likely to better understand their business environments and have more opportunities to create wealth.

We must focus on attracting younger farmers, service providers, manufacturers, processors and researchers and encouraging them to become more involved in the industry. Participation is the foundation for confidence in the industry for all, and the first step in a pathway to leadership for some.

³ *Priorities for collective industry action for the farm sector*, Australian Dairy Industry Council, November 2005, page 6

What are the outcomes we want?

We want the Australian dairy industry to have the future leadership it needs across the supply chain to achieve the following outcomes:

1. Strong leadership ability in policy direction and advocacy.

“We have the best dairy leaders who can vision the future, devise policies to deliver that future, and advocate both the visions and policies with passion.”

2. Strong industry governance of assets e.g. cooperatives such as Murray Goulburn; herd improvement organisations; service organisations such as Dairy Australia.

“We have industry leaders who provide world’s best skills in corporate governance and business strategy development.”

3. Strong farmer, manufacturer, processor and service provider leaders in industry programs i.e. delivering innovation.

“We have farm, manufacturing, processing and service provider leaders who understand technical aspects of industry programs and guide strategy that maximizes the benefits from those programs.”

4. Strong leaders across the dairy value chain who recognise the importance of leadership amongst employees in industry businesses, manufacturing, processing, organisations and projects, the service sector and on farms.

“Key dairy organisations invest in staff leadership development and offer opportunities via outstanding programs that include interaction with farmers.”

“We have industry leaders who provide world’s best skills in managing dairy businesses. Dairy industry farm and business owners invest in staff leadership development and offer opportunities via outstanding programs that include interaction with service providers (for example, owners will provide leadership development opportunities to farm managers).”

Leadership is required in all multi-person dairy businesses.

Three levels, or tiers, of industry leadership are required for roles that encompass (1) district or regional, (2) state or (3) national issues.

A review of leadership and professional development programs 1997-2006⁴ has estimated that the Australian dairy industry needs 150 – 200 people with the skills, knowledge and willingness to take on leadership roles at district/regional level each year (for example for membership of RDP Boards, regional dairy project committees, District Councils of state dairyfarmer organisations, or water authority committees). For leadership roles with state or national responsibilities, a pool of 30 - 40 is required. Assuming that each person holds

⁴ Manners J and Baum K, 2007, A Review of leadership and professional development projects and programs in the Australian dairy industry 1997-2006, Dairy Australia, page 19

one position rather than multiple positions, and that they remain in the position for 5 years on average, we need about 40 new leaders in industry roles each year.

What do we have to do to make this happen?

To achieve these outcomes we must set the context for leadership in the industry, define the skills needed at each tier, provide opportunities in training or further development for each tier, follow-up with support such as mentoring, and give individuals who are emerging leaders a chance to take active roles. We need:

- **Industry-wide awareness** of the importance of leadership on farm and in industry organisations and businesses. This will require a communication process to build the case and context - including profiling of individuals and organizations. It should emphasise that all tiers of industry leadership are important, provide a clear picture of the roles, and demonstrate the paths that lead to taking up those roles.
- Clear **definition of skills** needed for each tier of leadership roles. For example: understanding industry issues, strategy development, corporate governance, understanding the business environment and business performance, technical issues, project management, manufacturing processes, performance management, and communications. The NCDEA has begun mapping competencies to assist assessment of learning needs and design of programs.
- A range of opportunities to participate and build understanding of the dairy industry – to form a basis for future involvement in leadership.
- A range of opportunities (**programs and sponsorship**) to participate in **introductory leadership** programs such as, and not limited to courses and tours designed to achieve the outcomes required (either internal or external to the dairy industry).
- **Induction and training programs for new appointments** to leadership roles to ensure competency in the essential skills required at the leadership role level.
- **On-going support** e.g. through mentoring, training, programs with follow-up components.
- A range of opportunities (**programs and sponsorship**) to participate in **advanced leadership** programs such as, and not limited to courses and tours designed to achieve the outcomes required (either internal or external to the dairy industry)
- A range of on-going professional development **opportunities for existing leaders**. This could include, for example, 'shadowing' people with other roles.
- **Tools to measure** the effectiveness of programs, and **evaluation** focusing on participation in leadership programs, movement into leadership roles, changes in leadership styles and attitudes toward leadership.

- **Policies in industry and peak body organisations** (such as maximum terms, associate directorships, skills-based appointments etc) to:
 - appoint emerging leaders to representative roles
 - ensure induction for new appointees
 - provide professional development of employees as leaders
- **Clear succession strategies** for leadership within industry and peak body organisations.
- **Regional capacity to encourage participation** by needs analysis, program development and networking and tracking of individual progress (for example the RDPs and SDFOs provide coordination and points of contact).
- **Central capacity to review and amend the strategy**, for example assess the number of people needed across the entire industry, determine likely sources of funding for training, development and support (up-date the directory established by the 2007 Review) and maintain stakeholder relationships.

Defining the three tiers of leadership, skills required, and existing opportunities across the dairy value chain.

Lots of training opportunities exist inside and outside the industry (Review 1996-2006). Many stakeholder groups enthusiastically contribute to this already. And there are lots of external programs and funds available. In addition the NCDEA (the industry training body) can provide access to training funds. This design should include elements of the National Training Framework and possibilities for NCDEA delivery.

Tiers	Industry Outcomes	Individual Learning Outcomes (Mapped by NCDEA)	Example programs. Refer to the LEADERSHIP DEVELOPMENT DIRECTORY for the full list.	Stakeholders currently investing or involved
<p>Tier 1</p> <p>60 people participating in leadership development in this tier to be new members for roles such as:</p> <ul style="list-style-type: none"> • RDP Board members • Young Dairyfarmer Network committee members • Dairy company supplier local representatives • Discussion Group leaders • SDFO District Councillors • Reference Groups for dairy RD&E projects 	<ul style="list-style-type: none"> • Strong farmer, manufacturing, processing and service provider leaders in industry programs delivering innovation. • Strong leaders across the value chain recognise the importance of leadership amongst employees in industry businesses, organisations, projects, the service sector and on farms. • Interested and informed industry members for community and regional dairy networks. 	<p>Leadership Behaviours & Skills Set:</p> <p>Managing change in yourself:</p> <ul style="list-style-type: none"> • Self awareness • Time management • Effective communication incl. public speaking • Networking <p>Operating Skills:</p> <ul style="list-style-type: none"> • Meeting procedures • Group facilitation • Governance and organisational financial management • Media training • Understanding industry structure 	<p>Course</p> <p>'LEADIN' Dairy Development Course</p> <ul style="list-style-type: none"> • Customised for different entry groups i.e. Young farmer groups, RDPs, Dairy Companies (Run in 3 locations each year with 15 people in each program) <p>Tours</p> <p>Interstate tours organised at a regional or state level. e.g.</p> <ul style="list-style-type: none"> • Don Campbell Study Tour • UDV Apprenticeship Tour • WA Tour • SDP Tour <p>Other</p> <ul style="list-style-type: none"> • YDDP or equivalent activities • Future Farmers Network • Cows Create Careers (farmer or industry advocate role) • Community Leadership Programs 	<ul style="list-style-type: none"> ➤ NCDEA ➤ RDPs ➤ RDPs ➤ SDFOs

Tiers	Industry Outcomes	Individual Learning Outcomes (Mapped by NCDEA)	Example programs. Refer to the Leadership Development Directory for the full list.	Stakeholders currently investing or involved
<p>Tier 2</p> <p>20 people participating in leadership development in this tier.</p> <p>E.g.</p> <ul style="list-style-type: none"> • RDP Chairs • Dairy company Board members • SDFO Central Councillors • Chairs of Reference Groups for dairy RD&E projects 	<ul style="list-style-type: none"> • Strong industry ability in policy direction and advocacy. • Strong industry governance of collective assets (e.g. co-operatives, HI organisations; service organisations such as Dairy Australia). • Strong farmer, manufacturer, processor and service provider leaders in industry programs delivering innovation. • Strong leaders across value chain recognise the importance of leadership amongst employees. 	<p>Leadership Behaviours & Skills Set above, and in addition:</p> <p>Managing change through others:</p> <ul style="list-style-type: none"> • Building effective teams • Strategy formulation & implementation • Negotiation skills • Conflict resolution • Advocacy • Mentoring 	<p>Course</p> <p>Developing Dairy Leaders Program</p> <p>RDP Directors' Essentials</p> <p>Marcus Oldham Rural Leadership Program (2 dairy candidates/year)</p> <p>Gardiner Leadership Engagement project</p> <p>Milk company supplier development programs</p> <p>Tour</p> <ul style="list-style-type: none"> • Jack Green Fellowship <p>Other</p> <ul style="list-style-type: none"> • DAFF initiatives (repeated but not recurrent – presently on hold) • Australian Institute of Management • Community Leadership Programs e.g. Loddon, Fairley, Gippsland 	<ul style="list-style-type: none"> ➤ ADF ➤ NCDEA ➤ DA ➤ NCDEA ➤ DA, RDPs ➤ Gardiner ➤ Gardiner ➤ Fonterra ➤ Murray Goulburn ➤ Dairyfarmers Ltd. ➤ Churchill Trust ➤ DAFF ➤ Gardiner

Tiers	Industry Outcomes	Individual Learning Outcomes (Mapping by NCDEA required)	Example programs. Refer to the LEADERSHIP DEVELOPMENT DIRECTORY for the full list.	Stakeholders currently investing or involved
<p>Tier 3</p> <p>2 people participating in leadership development in this tier.</p> <p>E.g.</p> <ul style="list-style-type: none"> • Dairy Australia Chair or Board members • ADF Chair or PAG Chairs 	<ul style="list-style-type: none"> • Ability to represent Australian industry at a national/international level • Strong industry ability in policy direction and advocacy. 	<p>Leadership Behaviours & Skills Sets above, and in addition:</p> <ul style="list-style-type: none"> • Understanding industry issues (<i>national + international</i>) • Strategy development • Corporate governance • Government processes • Trade and diplomacy 	<p>Course</p> <ul style="list-style-type: none"> • Australian Rural Leadership Program (1 candidate/year) • Daring to Change program <p>Tour</p> <ul style="list-style-type: none"> • Nuffield Scholarship (1 or 2 candidates/year) <p>Other</p> <ul style="list-style-type: none"> • IDF meeting attendance • Multi-lateral trade meeting observation 	<ul style="list-style-type: none"> ➤ Dairy Australia ➤ Gardiner Foundation ➤ Dairy Australia ➤ Aust Dairy Conf ➤ Gardiner ➤ Dairy Australia, ADF & ADIC

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