



HOW WOULD A GLOBAL FARM MANAGER DECIDE WHETHER TO FARM IN THE CERRADO REGION?

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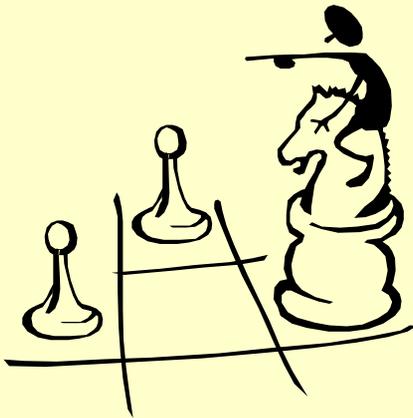


INTRODUCTION

- (1) Cerrado opportunities**
- (2) Global farming**
- (3) What leading farmers have taught me**

Outline of Presentation

- (1) The volatile management environment**
- (2) What would a global farm manager do?**
- (3) Conclusions**



THE VOLATILE MANAGEMENT ENVIRONMENT

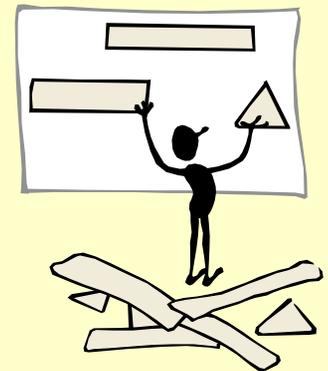
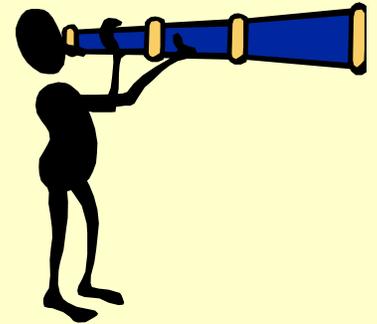
- (1) Marketing revolution**
- (2) Globalisation & consolidation**
- (3) Government policies**
- (4) Technology & management innovation**
- (5) Environmental management challenges**
- (6) Extreme weather events & global warming**
- (7) Consumer demands**
- (8) Community issues**



WHAT WOULD A GLOBAL FARM MANAGER DO?

1.Planning

- (1) Learning, learning, learning**
- (2) Strategic thinking**
 - no sacred cows
 - comparative advantage
- (3) Business, family & personal goals**
- (4) Business plan**
- (5) Defining role and focus**
- (6) Expertise available**



2. Risk Management

- (1) Finance/capital structure**
- (2) Production risk**
- (3) Relationship risk**
- (4) Policy risk**
- (5) Exchange/ interest rates**
- (6) Market shocks**
- (7) Protecting the core business**
- (8) Contingency planning**

3. Resource Assessment & Environmental Management

(1) Assessing the resources

- soils, climate, drainage etc.

(2) Environmental management policies

4. Production Systems and New Technologies

- (1) Working with researchers**
- (2) On farm/ group experimentation**
- (3) Measuring/ monitoring**
- (4) Documenting systems**

5. Working With Other Farmers

- (1) Purchasing power**
- (2) Information power**
- (3) Management power**
- (4) Marketing power**
- (5) Culture**
- (6) Relationships**
- (7) ‘Understand your competitors, they can be your best collaborators’**

6. Market Driven Approach

- (1) Active participation with customers & markets**
- (2) Supply chain & value chain management**
- (3) Quality assurance & traceability**
- (4) Consolidation of processing & retailing**
- (5) Market operation – payment risks**



7. Growing the Business

- (1) New business structures**
- (2) Operating business or real estate business**
- (3) Buy and rent out**
- (4) Buy and produce**
- (5) Produce and lease**
- (6) Leveraging capital**

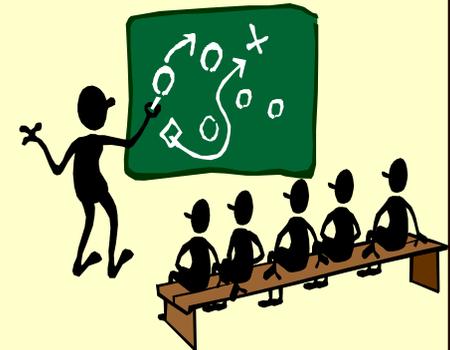
8. Adding Businesses

(1) Services versus production

(2) Capabilities

9. Managing People

- (1) Understanding language & cultures**
- (2) Self management**
 - patience, time, tenacity
 - live on the farm or operate thro' someone else
 - children's involvement
- (3) Organizational structure**
- (4) Relationships & trust**
- (5) Developing capabilities**
- (6) Delegation**
- (7) Communication of plans**



CONCLUSIONS

- (1) Learning**
- (2) Planning**
- (3) Risk management**
- (4) Objectivity**
- (5) Operational excellence**
- (6) Marketing focus**
- (7) Managing people**

Isn't farm management interesting?