

**THE POWER OF PEER GROUPS IN THE AGRICULTURE
COMMUNITY: DEVELOPING BUSINESS MANAGEMENT
STRATEGIES WHILE BENEFITTING MENTAL HEALTH**

**Subheading: The benefits of structured peer learning for the
next generation of farm managers**

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Abstract

As farms increase in complexity producers require more resources to help them develop sound business management strategies. Historically, peer groups gained popularity through use in supporting participants mental health. More recently they have been utilized in many industries, including agriculture, as a professional development tool. Although a farmer's main motivation for joining a peer group may be professional in nature, developing and following business strategies is proven to positively impact farmers mental health. The benefits of peer groups also can affect the next generation of farm managers who are less likely to follow a business plan, and more susceptible to job-related stress. Regardless of the farm's current position in their process of succession, the members benefit from the opportunity to learn from their fellow members and be a part of a community where they can be open and vulnerable. To achieve the benefits of a peer group elements should be incorporated into the group's organization. Structural elements include a trained facilitator, confidentiality agreement, pre-determined meeting logistics, and rules around roles and member curation. Peer groups are a powerful management tool for developing business management strategies which will help the next generation of producers succeed.

Keywords: support, professional development, community, mental health, business management, succession

Introduction

For several decades farmers have been making use of peer groups to provide support and develop their knowledge of business strategies and management. Although this form of professional development is not new in our industry, it is underutilized compared to other forms of learning and training (Doerr 2012). The advantages of participating in a peer group are directly tied to strategic growth and development of members' businesses, as well as the personal advantage of belonging to a community of peers. Peer groups create an environment of trust and accountability, while offering members an opportunity to have their paradigms challenged, learn from other farmers, and receive unbiased advice and insight which they may not find anywhere else.

Because the benefits of joining a peer group are not easily quantifiable, the direct value to the individual can be difficult to understand. Kayla Doerr, Masters graduate from Texas A & M University wrote her thesis on peer groups in agriculture and describes them as “an information exchange established for the sake of mutual self-improvement – all members give, as well as take” (Doerr 2012, p.3). Groups meet regularly to maintain commitment and connection with their fellow members and to discuss challenges facing their business in real time.

Although there are various sources where farmers can access information and education, what they learn in a peer group is unlike education they will gain from other programs. Post-secondary education often lacks applied learning in a real-farm environment, and traditional mentorships only offer one perspective to the mentee from a mentor who generally comes from a different generation. Recognizing this has illuminated the gap in our industry for the next generation of farmers to access the unique benefits of peer support and learning. As producers work towards full ownership of their family farm, they need to have an in-depth understanding not only of farm operations but of business strategy overall. The unpreparedness that most farmers feel as they work towards full management of the family farm can negatively impact their mental health. Farm Management Canada (2020) released a study detailing the connection between on-farm business planning and mental health, including some strategies which can be taken to mitigate the negative effects of working in agriculture. Interviews with participants showed that when discussing farm succession, having third-party resources helped to reduce stress. The study goes on to say that “The key is to foster discussions around farm futures and to develop proactive plans that address the needs of all family members” (Farm Management

Canada 2020, p.45). Being part of a peer group provides a platform for discussions around farm succession and management overall. These discussions help both the retiring and succeeding generations of farmers better understand business management and the benefits of following a business plan, which will have positive ripple effects into the agriculture community at large.

Backswath Management is a farm and agribusiness consulting firm based out of Winnipeg Manitoba Canada. It was formed in 1992 by current CEO (and peer group Facilitator) Terry Betker. Terry was approached by a group of producers in 2012 who were interested in forming a peer group. That peer group, with most of the original members, still meets today and Backswath has been offering similar groups to farmers across Canada ever since. Where not referenced, the perspectives in this paper reflect that of the team at Backswath who facilitate, manage, and participate in peer groups.

History

Peer support is not a new concept. Its roots can be traced back to supporting mental health patients' treatment and recovery in psychiatric units. The first recorded evidence of peer support is found in the 18th century in France where the governor of Bicêtre Hospital in Paris, Jean Baptiste Pussin, made regular practice of employing recovered patients as hospital staff (Bellamy, Davidson, Guy, Miller 2012). He noticed that their past experiences made them more empathetic towards their patients since they could relate to their patients. In the 1970's, the concept of organized peer groups became more popular as patients were released from psychiatric hospitals with little ongoing support to assist them as they transitioned back into society (New Freedom Commission on Mental Health 2003). These vulnerable people formed support groups with other patients and found success since they were able to relate each other's experiences and support each other's personal growth and healing. Since then, peer groups have grown in scope and can be found in various industries across the globe, with the purpose of supporting fellow members still at their core.

More recently, the peer group model has expanded to include professional development opportunities. A professional peer group provides a space where members can discuss issues or opportunities that are currently affecting their business, and gain insight and advice from their fellow members. In the agriculture industry, peer groups have been utilized in countries such as New Zealand and Argentina for over fifty years (Doerr 2012), for both personal and professional

support. Although the industry or reason for participating in a peer group may vary, there are values which are common throughout all peer groups.

Benefits of Peer Group Membership

There are many different reasons why members choose to join a peer group, but generally growth and development are at the core of their decision. Whether for personal or professional reasons, members seek the opportunity to be surrounded by individuals who can help them achieve their goals. In agriculture peer groups, growth tends to be related less to the size of an individual's operation and more to how owners and senior decision makers on the farm can manage their operation to the best of their abilities. For individuals to achieve personal growth through the benefits of a peer group, they need to feel supported by their fellow members.

In a peer environment, support is best given from someone who has had similar experiences and can provide advice and mentorship. Members of a peer group gather to discuss issues and opportunities currently facing their personal lives or business. Considering that farms are often family businesses, personal and professional issues are intertwined. Advice given may appear professional in nature but will often impact the members personal life. Membership is not only about receiving support, but also giving it. The expectation of any peer group is that all members make an equal contribution so that the group performs as a unit with different individual strengths highlighted depending on the situation or topic being discussed.

Commonly, members who join a peer group are looking for support in the form of accountability to achieve personal and business growth and development. Regular attendance at meetings and discussing progress helps individuals stay on track with their identified objectives, which over time helps them achieve their goals. Meeting agendas should include a component of individual reporting so that members can discuss what progress they have made and receive advice on challenges they are facing along the way. If progress isn't being made, or someone reverts to the mentality of "that's the way we've always done it," the member can expect to have their existing norms challenged by the rest of the group.

To feel comfortable sharing their personal and professional challenges, it is necessary to have a basis of trust. Although trust can take time to build, an understanding of confidentiality is an important place to start. Members need to know that what they discuss within the group will stay there. Confidentiality statements that members sign and review at each meeting help to reinforce this concept, but a strict policy for dismissal when confidentiality is broken should also

be in place to help members feel secure. Beyond a commitment to confidentiality, a social component to the peer group is another way to solidify trust amongst the members. Sufficient opportunity for productive social interaction can be incorporated into meetings through post-meeting dinners or activities, a platform for communication in between meetings, or having members volunteer to host meetings at their farm. When members know each other personally, embracing vulnerability during meetings becomes easier, which allows for deeper discussions and the opportunity for everyone to benefit and learn.

The potential for learning is perhaps one of the greatest benefits and main motivation to join a peer group. Unlike other professional development opportunities, the educational component of a peer group focuses on the members' existing knowledge. For this reason, it is important to form groups made up of people who are at similar stages in their career to ensure that everyone will be able to contribute to group discussions equally. Members give advice to each other based on their own successes and failures which makes this unbiased, first-hand knowledge invaluable to other producers. The topics discussed are professional in nature and help members realize a business strategy for their farm. Macro topics which may be discussed include global socioeconomic factors, political implications, regulatory constraints, monetary policy, and evolving consumer dynamics. Learning how fellow peer group members have developed these areas in their respective businesses helps individuals form their own strategic direction.

The benefits so far described mostly refer to what an individual or business can gain from peer group membership, but there are benefits to the agriculture sector at large. It is no secret that being a successful producer means commitment to the business which leaves little time for socializing outside of employees and family. Furthermore, farms are often located in remote areas that may lack technological infrastructure which could help producers feel more connected. For these reasons, and many others, farmers often feel a lack of socialization and community, which can have negative impacts on their health. In our industry mental health has more recently become the forefront of conversations around farmers' overall health and wellbeing. Farm Management Canada's study found that farmers experience issues related to mental health at a higher rate than almost every other industry in Canada (Farm Management Canada 2020). When exploring the reason for this, the study concluded that stress relating to informal business management practices was one of the main causes. Their study states that "only 26% of

Canadian farmers had a written business plan, and a 2016 study found that only 8% of farmers had a written farm transition plan” (Farm Management Canada 2020, p.18). Farmers who do not have a formal business strategy are more susceptible to stress associated with the risks of modern-day agriculture, as they do not have formal plans to deal with negative outcomes. The study also found that members of the agriculture community are more likely to seek support from individuals or organizations that have knowledge and experience in the agriculture industry. While professional peer groups are not solely focused on personal support, belonging to a group of other producers who have a similar mindset towards their operations and are focused on developing sound business management practices can help members feel that they belong to a greater support community, which mitigates the impacts of negative mental health. Fostering and growing this type of community could then proactively benefit producers’ mental health in our industry overall.

Backswath’s Approach to Emerging Farm Managers

In 2020, Backswath recognized the need for farmers of the succeeding generation to further develop their knowledge and skills in farm management. As discussed in the Farm Management Canada report, younger farmers in Canada are less likely to follow a business plan than the generations before them and are also less able to deal with stress relating to the farm (Farm Management Canada 2020). These findings support Backswath’s notion that the next generation of producers need more opportunities for training in business management, and a community to support them as they navigate their careers.

Backswath’s approach to providing this type of training is to combine the proven benefits of a peer group with a formal structure to address topics commonly discussed in peer groups for senior farm managers. The level of discussion in the senior versus emerging farm management groups is not the same, but participants begin to develop their understanding of these core topics as it related to their own farm. The program is not a course, but an extension of common post-secondary education available to farmers, focused on topics directly applied to farm business management. The pillar topics which are discussed in depth throughout the three-year program are:

1. Strategy

As members move through the program, they discuss strategy at length to develop their understanding of the importance of a strategic plan in every business. In this module members

identify the core values that their farm operates from to understand the motivations behind most decision making, especially as it relates to existing strengths and weaknesses. This helps members recognize major barriers to success which in turn develops an analytical mindset and the ability to consider the “bigger picture” and direction of the business. Knowing their business direction and identifying what success looks like on their farm helps to build understanding of the importance of long-term goals and how to build plans and strategies to support goals.

2. Financial Management

In Backswath’s farm management consulting practice, we see producers (of all generations) who struggle to understand their farm’s financial performance and how to create and achieve financial goals that will ensure the farm’s success into the next generation. Discussions around finance in this peer group show how financial outcomes rely on all areas of management on the farm. Members understand the importance of bookkeeping as a foundation for analysis and control measures, and how to glean useful information from their financial statements. Understanding their farm’s current financial position allows them to explore forecasts, projections and targets, and how these all work together to provide context for decision making. Finally, members learn about the lenders’ side of the financing equation and develop a better understanding of how debt can be managed to aid in the success of the farm.

3. Human Resources

Considering that most farm businesses are family businesses, conversations involving human resources can be complicated and sometimes uncomfortable. This module gives members an understanding of basic principles relating to human resources and farm succession. Members explore the differences between managing and working with family compared to non-family and understand the role that conflict plays in a family business and how it can be managed. Professional goals and development are explored through analysis of the farms existing activities, where gaps in management may exist, and what type of external training is required to fill existing gaps. Finally, members discuss how they currently fit into the management team and how their roles apply to succession.

4. Operations and Technology

Discussions around operations and technology are mostly member-driven. Opportunities are presented throughout the program for participants to hear from their fellow members on how operations are handled at various farms. Members gain insights into technology being used

(especially technology that helps in management decision making) by other farms and can learn operational best practices used by other farms in the group.

5. Trending Topics

As our industry evolves, members will face challenges that the generation before them have not experienced. This module gives members the opportunity to increase their awareness of changes in the agriculture industry and how it will impact their farm in the future.

Although these topics form the bulk of the agenda during meetings, time is always set aside for farm updates and discussion, so that individuals can present any issues they may be currently facing and receive support from their fellow members.

In the first year of this program, member feedback showed that although there was existing interest in all topics outlined, more structure was needed to achieve the level of discussion that would allow the members to develop their understanding. For this reason, Backswath developed pre-work for the members related to the topic(s) of the upcoming meeting. There are several outcomes which have been achieved through this pre-work. It gives members the opportunity to analyze their farms practices in each area and discuss any gaps they believe exist with the greater group. The assignments are designed so that members work with the senior decision maker on the farm and hear first-hand why certain practices and procedures are in place. This forces members to start thinking like the farm owner/manager and how their personal vision and strategy for the farm may deviate from the generation before them. Because the program is designed as a peer group and not a course, the members can then come back to their group and have vulnerable conversations around what they have learned and receive insight and advice from their fellow members.

Backswath incorporated an international component to the emerging farm manager program to help members gain an understanding of, and an appreciation for, global agricultural perspectives. This component allows members to participate in conversations with international farmers who are at a similar stage in their career. It helps broaden their perspectives on what factors influence management decisions around the world. Participants can maintain these global connections as an additional resource of knowledge and validation as they navigate their careers.

What Makes a Successful Peer Group

Regardless of the stage in career or how much guidance is needed to encourage meaningful discussion amongst the group, it would be unwise to assume that simply gathering a group of producers will make a successful peer group.

Primarily, every peer group should have an experienced facilitator in place to anchor the overall purpose of the group. A facilitator's role is not to educate the members but rather to ensure that meetings are organized and stay on track. An experienced facilitator will understand how to mediate conversations for productivity and equity amongst the group. One member should not dominate conversations, nor should a member be allowed to attend meetings and not regularly contribute. Skilled facilitators can draw out ideas from the group and ensure that everyone can share their experience when the opportunity arises. Beyond members' level of contribution, situations of conflict may arise where the members cannot reach consensus on their own. A trained facilitator is necessary to guide the conversation towards a productive end. Furthermore, groups should appoint facilitators who have at minimum a basic knowledge of their industry so that they can understand why certain topics are relevant and how to help members if they cannot advise each other on a particular issue. A facilitator may recommend an outside professional be brought in to speak to group on a recurring topic or issue that the members cannot advise, or where the advice of the members is known to be inaccurate to the facilitator.

Depending on the overall purpose of the group, members should decide and clearly define the roles and responsibilities. A charter document which describes the various organizational elements of the peer group should be in place so that all parties involved have the same expectations from their fellow members and understand what is expected of themselves (Betker 2015). The charter document can include anything the group feels is required to work towards its overall purpose, but some recommended elements are listed below.

1. Confidentiality Statement
2. Roles and Responsibilities
3. Membership Requirements and Group Size

Depending on the group's purpose, members may decide that certain criteria need to be met before a farm or individual can be considered for membership. Some examples of membership criteria are:

- annual business revenue

- years, experience or age
- size of operation/number of acres owned and/or managed
- sector of agriculture
- geographic location
- stage in career

4. Member Curation and Churn

5. Meeting Logistics

Conclusion

As farms continue to become increasingly complex, the pressure on modern-day producers is greater than ever. This highlights the need for more opportunities for producers to not only develop and implement their business strategy but also to surround themselves with other farmers who are going through similar experiences and can provide first-hand advice and support.

As professionals in our industry explore ways to provide these opportunities to producers, it has become more apparent that the succeeding generation often lacks confidence and the necessary training to one day take over the farm. Young farmers are less likely to create and follow formal business plans which can have a negative impact on their mental health. Opportunities for the next generation of producers need to be created where they can learn and feel comfortable with their vulnerability, within and amongst a trusted group.

Peer groups provide a community and environment for farmers to discuss personal and professional issues which are facing their business. By participating in these vulnerable discussions, they learn ways in which their fellow members tackle similar issues and can apply these principles back to their own operation. Being a part of a peer group creates the opportunity for members to work on business strategy outside of the day-to-day operations which can positively impact their personal lives.

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