



beef+lamb
new zealand

Operational Plan 2016-17

About this plan

2016-17 Operating context

Recent farm budget forecasts completed by Beef + Lamb New Zealand's (B+LNZ) Economic Service indicate a challenging year ahead for farmers. Political uncertainty whether brought about by BREXIT, US elections, or uncertainty on the trade performance of the Asian powerhouses of Japan and China, are all playing a part in a somewhat subdued outlook for lamb. While beef remains firm and the prospects reasonable, many farmers do not have a significant beef component to their business. Some who have relied on dairy grazing for their cattle income are not seeing the same availability and returns from this option as dairy farmers look to reduce their cost structure.

Difficult climatic conditions have accompanied these uncertain market factors. Almost unprecedented drought has continued in the North Canterbury region and in the North Island has significantly affected large chunks of the Wairarapa and Hawkes Bay. In some cases this has been coupled with Facial Eczema which has been widespread throughout the North Island and even ventured into the South, a rare occurrence. This has meant for many farmers that regardless of market demand they are short of stock, feed or both and in some cases the stock on hand will not perform at desired levels.

The result of this is that for the 2016-17 year many farmers will be significantly challenged in terms of profitability. The combination of these factors is affecting farmer confidence and appears to have some correlation with sheep:beef ratios with farmers in the north with higher cattle more optimistic about the year ahead and sheep dominated farmers in the south, far less so.

To add pressure on farmers many regions are faced with Regional or District Council plan reviews and for sheep and beef farmers, more often than not this signals either restrictions to their farming operations or extra costs. At the same time other regulatory challenges such as changes in health and safety legislation and its application are demanding change on-farm.

At B+LNZ we acknowledge the challenging times that our sheep, beef and dairy levy payers are facing. Our shared vision with farmers is that farmers are confident about the future and profitable. We're determined this year to play our part, delivering on our mantra of "by farmers, for farmers"

Purpose of this plan

With both internal and external audiences in mind this operational plan is intended to provide greater transparency and focus on key B+LNZ activity for the 2016-17 operating year. The inclusion of activity detail within an annual plan supports easier storytelling of what B+LNZ is doing through the year and how that aligns with strategic goals.

This plan also supports the B+LNZ team in focusing on the deliverables in their area of the business, and to see the breadth of activity across the whole organisation. It provides a reference point for development of individual goals and workplans and for development of more detailed project plans, as required, at the team level.

Structure of the Plan

The 2016-17 Operational Plan sets out an action plan focused at delivering on the primary purpose of B+LNZ

1. Supporting informed business decisions
2. Promoting farmers collective interests

This annual Operational Plan is built around the B+LNZ strategic framework which identifies eight strategic priorities with detail into key activities and related budgets for each of these priorities.

Elements

- Plan on a page – all key activities for 2016-17 within one table
- Priority detail – expanded description with bullet point activities and budget allocations.

Exclusions

- Detailed project plans are not included. These are developed and maintained, as required, at the team level to support delivery of the priority actions identified within this plan.

Contents

2016-17 Operational Plan on a page	4
Investing in Research and Development.....	5
Developing farm and farmer capability	6
Delivering knowledge that drives farm performance.....	7
Attract and retain talent for the sector	8
Supporting our market opportunities	9
Advocating for farmers ability to operate.....	11
Making a great organisation.....	13

2016-17 Operational Plan on a page

Strategy	Vision: A confident and profitable sheep and beef industry							
	Purpose: Help farmers make informed business decisions and promote their collective interests							
	Success Measures		<ul style="list-style-type: none"> Farmers are confident in the sector Farmers are profitable 		<ul style="list-style-type: none"> Farmers are productive Farmers are satisfied with their B+LNZ levy investment 			
	Supporting informed decisions				Promoting Collective Interests			
Operational focus 2016-17	Investing in Research	Developing farm and farmer capability	Delivering knowledge that drives farm performance	Attract and Retain talent for the sector	Supporting the sectors market opportunities	Advocating on farmers ability to operate	Building our sectors confidence and profile within communities	Making a great organisation
	<ul style="list-style-type: none"> A sheep and beef sector research strategy is created Produce a business plan for the Future Farm initiative A portfolio of applied research is maintained with support of Farmer Research Advisory Group Review of long-term RandD investment programmes completed Beef + Lamb Genetics continuity plan developed 	<ul style="list-style-type: none"> RMPP is partnered in resource development, management and distribution A trainer network is created to support B+LNZ seminars/events Develop farmer financial literacy and promotion of farm benchmarks Increased reach of investment in AgriWomen's Development Trust. Deliver Agri Leadership development programmes Support Maori agribusiness 	<ul style="list-style-type: none"> Future extension strategy jointly developed with Red Meat Profit Partnership (RMPP) National and Regional extension programmes delivered Farmer uptake and impact from B+LNZ extension is measured Economic forecasts and reports produced to assist farmers Tools developed to help meet regulatory requirements 	<ul style="list-style-type: none"> Partner RMPP to deliver a sector capability plan Use research to better target capability programmes Promote more trainees through Primary ITO and Cadet programmes Target schools with Primary Industry Capability Alliance (PICA) and Get Ahead International exchange programmes forge industry relationships 	<ul style="list-style-type: none"> Implement new market development programme Develop Red meat sector story Conduct consumer research and market intelligence Complete business cases for new markets and market segments Complete joint market access strategy with MIA Pursue FTA's, and NTB's for industry Deliver BREXIT strategy and action plan 	<ul style="list-style-type: none"> Complete NAIT Review Biosecurity 2025 review completed GIA feasibility consultation completed Fit for purpose Animal Welfare regulations Environment strategy refresh Increasing influence into Regional Plans Land And Water Forum participation Action plan for climate change Provide Health and Safety leadership 	<ul style="list-style-type: none"> Strategic communications grow recognition and support for sector Leadership in data led forward looking sector commentary Awards, and competitions that celebrate success and sector recognition Industry conferences with strong farmer participation 	<ul style="list-style-type: none"> B+LNZ Strategy refresh is conducted and implemented. Effective Health, safety and wellness programmes are in place Design Thinking is integrated across the organisation. Performance and Development system is implemented Digital update delivers better for company and farmers Customer relationship management system (CRM) update Finance system upgrade
	Budget	\$3.2m	\$1.3m	\$8.5m	\$1.3m	\$6.6m	\$1.3m	\$2.0m

Investing in research and development

Strategic Priority: Investing in research that meets the needs of farmers and the sector	
Success Statement: A sector R&D strategy results in an investment portfolio that delivers tangible benefit to sheep and beef farmers bottom lines	
KPI's	Target
<ul style="list-style-type: none"> • Complete the development of a sector research strategy that is informed by farmers, and the sector, setting a platform for sector investment and activity. • Business plan/proposal for Future Farms is completed and approved for implementation • All Research investment proposals and research plans for 2016-17 have a defined pathway for delivery of outcomes on farm • Farmer Engagement <ul style="list-style-type: none"> ▪ Farmer Participation (unique) in research workshops, Farmer Research Advisory Group meetings (FRAG), Strategy development workshops. ▪ Farmer awareness as measured through UMR survey ▪ Farmer satisfaction as measured through workshop exit surveys 	<ul style="list-style-type: none"> • Q3 • Q3 • Q1-Q2 • Q4 • >250 • >60% • >85%
Activity	Target Date
<ul style="list-style-type: none"> • Develop sheep and beef sector research strategy • Engage and align sector partners (farmers, government, CRI's, PGP, commercial etc.) • Complete business plan for Future Farm initiative • Deliver portfolio of applied and long-term research with support of Farmer Research Advisory Group • Complete National Forage strategy • Complete review of Pastoral 21 investment project • Complete review of investment in Pastoral Genomics and PGGRC in context of sector R&D strategy • Development of future plan for Beef + Lamb Genetics 	<ul style="list-style-type: none"> • Q1-Q3 • Q1-Q3 • Q1-Q4 • Q1 • Q2 • Q4 • Q4
Budget 2016-17	\$3.2 million

Developing farm and farmer capability

Strategic Priority: Developing farm and farmer capability	
Success Statement: Farmers and those that support them are equipped with the right skills and resources to uptake and apply new knowledge and technologies on-farm	
KPI's	Target
<ul style="list-style-type: none"> • Increase electronic download of B+LNZ material and information compared with 2015-16 • Increased demand of B+LNZ resources via physical uptake and mail compared to 2015-16 • Numbers participating in agri-leadership programmes funded by B+LNZ • Numbers participating in Maori agribusiness leadership and mgmt. training 	<ul style="list-style-type: none"> • +20% • +15% • 300 • 350
Activity	Target Date
<p>Better methods of delivery</p> <ul style="list-style-type: none"> • Develop "Resource Strategy" in Partnership with RMPP for extension delivery to farmers; ▪ Engage farmers and sector partners in strategic review ▪ Apply best practice from RMPP and UMR research ▪ Review Delivery Ready Workshop portfolio to improve ease of use and impact ▪ Evaluate the impact and refine digital channels for engagement and delivery including web, webinars, apps, and videos • Develop an index/catalogue system for on farm resources that captures current and historical information and allows ease of access for farmers and other stakeholders • Develop framework for recognised "trained trainers" network for B+LNZ workshops/events/seminars (having a suite of recognised capability available to deliver B+LNZ workshops) • Facial Eczema working group delivers useful tools and knowledge that better equip farmers to manage FE <p>Deliver programmes that improve capability</p> <ul style="list-style-type: none"> • Identify and support participants in B+LNZ, Kelloggs, Nuffield and NZYF programmes to grow leadership capability and benefit the industry • Partner AgriWomens Development Trust (AWDT) to increase reach and effectiveness of the programme • Work with FOMA, Ahuwhenua and other Maori organisations to increase both governance and management capability 	<ul style="list-style-type: none"> • Q1 • Q2 • Q1-Q4 • Q3 • Q2 • Q3 • Q3 • Q1-Q2 • Q4 • Q1 • Q1-Q4
Budget 2016-17	\$1.3 million

Delivering knowledge that drives farm performance

Strategic Priority: Extension – helping farmers make informed business decisions and promote their collective interests.	
Strategic Statement: Delivering knowledge that drives farm performance.	
KPI's	Target
<ul style="list-style-type: none"> • B+LNZ supported events/workshops/seminars/field days in collaboration with sector partners - • Number of farmer attendances at B+LNZ supported events/workshops/seminars/field days in collaboration with sector partners • Number of unique farmer attendances at B+LNZ supported events/workshops/seminars/field days in collaboration with sector partners • Farmer uptake/adoption measurement methodology implemented by 1 March 2017 <ul style="list-style-type: none"> ○ Adoption measure at Q3 - 	<ul style="list-style-type: none"> • >350 • >17,000 • >7,000 • >25%Q3
Activity	Target Date
<ul style="list-style-type: none"> • Deliver regional and national extension programmes (RDP's) that show measurable on-farm benefit for farmers • Develop and implement practical methodology to measure farmer uptake/adoption of B+LNZ developed tools/information/services (Note: measures adoption) • Develop and implement methodology for measuring the effectiveness of B+LNZ extension activities (Note: measures impact/effectiveness) • Partner the Red Meat Profit Partnership (RMPP) to deliver an extension programme that: <ul style="list-style-type: none"> ○ Builds farmer capability ○ Encourages effective Benchmarking and use of management tools (physical and financial) ○ Utilises Technical network learning ○ Implements outcomes from RMPP extension pilots into B+LNZ project farms • Refine and deliver effective tools for farmers to respond to regulatory requirements <ul style="list-style-type: none"> ○ Health and Safety ○ Environment ○ Animal Welfare ○ Water ○ Climate • Complete value chain analysis and identify further opportunities to increase farmer profitability 	<ul style="list-style-type: none"> • Q1-Q4 • Q1 • Q2 • Q1 • Q1-Q4 • Q1
Budget 2016-17	\$8.5 million

Attract and retain talent for the sector

Strategic Priority: Attract and Retain Talent for the sector	
Success statement:	
<ul style="list-style-type: none"> • More people are attracted to choose the sheep and beef sector. • Our people are well trained, are retained and continue to advance within the sheep and beef sector. 	
KPIs	Target
<ul style="list-style-type: none"> • Perception of the sector by prospective industry participants improves • Farmer Satisfaction with programmes to attract and retain more talented young New Zealanders in the sector. • Number of primary and secondary school participants in sector programmes • Increase completion rate of students in PrimaryITO sheep and beef sector training 	<ul style="list-style-type: none"> • Get baseline data • +20% • 4000 • +10%
Activity	Target Date
<ul style="list-style-type: none"> • Develop a KPI and collect baseline data on the progression of participants through RMPP and B+LNZ people programmes. • Partner RMPP to deliver a combined sector capability programme that better utilises resources and increases effectiveness of both entities. • Invest in research through Primary Industry Capability Alliance to guide capability programmes • Invest in “Get ahead” programme to draw more secondary school students to the sector • Develop and manage funding contracts with PrimaryITO, and Cadet stations to increase trainees and completions • Manage investment in Primary Industry Capability Alliance to target more high-school students. • Embed new schools curriculum at St Pauls Collegiate and expand to other schools • Deliver exchange programmes to grow international relationships and understanding to mutually benefit participants (IBA Tri-Lamb) 	<ul style="list-style-type: none"> • Q1 • Q1 • Q1-Q4 • Q1 – Q2 • Q1 – Q4 • Q3 • Q3 • Q1
Budget 2016-17	\$1.3 million

Supporting our market opportunities

Strategic Priority: Market Development and Access	
<p>Success statements: Create value by identifying affluent consumers and growth market segments and creating a deep connection with them through an authentic sector story which highlights a shared sense of purpose, place and values.</p> <ul style="list-style-type: none"> • Industry is using insight to inform business decisions • Industry is using sector story to promote NZ beef and Lamb • Targeted consumers recognise the quality and integrity of NZ red meat • Sector has identified new market opportunities <p>Ensure quality access to markets containing customers above. (Quality access means both quantitative access i.e. ideally no restriction on volumes and qualitative i.e. no non-tariff barriers to trade).</p>	
KPIs	Target
<ul style="list-style-type: none"> • Meat co. involvement in market development strategy • Meat co. support for B+LNZ's role in market development • Meat co. satisfaction with B+LNZ in market development • Farmer involvement (unique) in market development strategy • Farmer support for B+LNZ's role in market development • Farmer satisfaction with B+LNZ in market development • Stakeholder organisations (Govt and others) provide requested support for the market development programme. 	<ul style="list-style-type: none"> • 100% • >85% • >65% • 90 • >85% • >65% • >75%
Activity	Target Date
Market Development	
<p>The Red Meat Sector story is developed and in use by industry participants and government agencies</p> <ul style="list-style-type: none"> • Compliance alignment and messaging • Story development • Story adoption and use • Strategic communications • Chapter development 	<ul style="list-style-type: none"> • Q1 - Q2 • Q1 – Q3 • Q3 – Q4 • Q3 – Q4 • Q4
<p>A research and market intelligence programme is completed which feeds into the Sector story and is used by industry to better develop and promote products</p> <ul style="list-style-type: none"> • Consumer of today • Consumer of tomorrow • Values of a premium consumer • Value chain alignment • Map growth segments against potential opportunities 	<ul style="list-style-type: none"> • Q1 - Q3 • Q2 – Q4 • Q3 – Q4 • Q3 • Q4
<p>Feasibility studies new markets or product analysis of known opportunities</p> <ul style="list-style-type: none"> • Partner Identification • Business case development 	<ul style="list-style-type: none"> • Q2 – Q3 • Q4

Policy and Advocacy	
<p>Development of an agreed (MIA and B+LNZ) trade policy strategy for the industry which:</p> <ul style="list-style-type: none"> • Includes companies on trade policy priorities • Identifies Non-Tariff Barriers of interest • Assesses International Beef Alliance interests and areas of collaboration • Is supported by government 	<ul style="list-style-type: none"> • Q1-Q2
<p>Continue to actively pursue Free Trade Agreements and deliver BREXIT strategy and action plan</p> <ul style="list-style-type: none"> • Collect data on trade in EU28 and EU27+UK • Analyse trade patterns • Develop strategy with NZ Government • Source market, trade and political intelligence • Support NZ Government negotiators 	<ul style="list-style-type: none"> • Q1-Q4
Budget 2016-17	\$6.6 million

Advocating for farmers ability to operate

Strategic Priority: Regulatory Advocacy	
Success statement: The sheep and beef sector is recognised for its forward looking approach to the environment, animal welfare, health and safety, and biosecurity, minimising farmer compliance costs in these areas.	
KPIs	Target
<ul style="list-style-type: none"> • Technical Advocacy <ul style="list-style-type: none"> ○ Farmers are satisfied with consultation process on GIA policy and cost recovery ○ Farmers are satisfied Animal Welfare regulations do not adversely impact on their ability to operate • Environment <ul style="list-style-type: none"> ○ Farmers are satisfied freshwater regulatory reform does not adversely impact on their ability to operate ○ Farmers are satisfied climate change policy takes account of sheep and beef production special circumstances • Health and safety leadership (H&S) <ul style="list-style-type: none"> ○ % of farmers with functional H&S plans following participation B+LNZ H&S workshop - via survey ○ Farmers recognise B+LNZ as sector leaders in H&S via survey 	<ul style="list-style-type: none"> • get baseline data • get baseline data • get baseline data • get baseline data • get baseline data • get baseline date
Activity	Target Date
Technical Advocacy	
<ul style="list-style-type: none"> • Complete participation in NAIT Review • Improve the biosecurity effectiveness for industry through the development of a GIA proposal for consultation with farmers • Work with MPI to ensure Animal Welfare regulations are fit for purpose 	<ul style="list-style-type: none"> • Q1 - Q2 • Q1 – Q3 • Q1 – Q4
Environmental Leadership	
<ul style="list-style-type: none"> • Refresh environment strategy • Provide input into Regional Plans to ensure effective representation for farmers • Participate in the Land And Water Forum • Develop strategies and an action plan with the Climate change policy working group • Work with farmers and other stakeholder to deliver a Waikato regional plan response 	<ul style="list-style-type: none"> • Q1 - Q2 • Q1 - Q4 • Q1 – Q4 • Q1 - Q3 • Q1 - Q3
Health and Safety Leadership	
<ul style="list-style-type: none"> • Complete HandS strategy with partners to deliver programme that improves outcomes for farmers • Complete Quad bike guidelines with industry partners • Deliver Farm H+S plans through workshop programme and measure uptake • Complete data collection and analysis to prioritise safety initiatives and develop targets • Provide a near miss register for farmers that allows risk factors to be identified 	<ul style="list-style-type: none"> • Q1 • Q1 • Q1 -Q4 • Q1 - Q2 • Q1 - Q2
Budget 2016-17	\$1.3 million

Building our sector's confidence and profile

Strategic Priority: Building our sector's confidence and profile within communities	
Success Statement: The sheep and beef sector is increasingly recognised as an innovative, profitable and successful sector that makes a valuable contribution to New Zealand's economy and society	
KPI's	Target
<ul style="list-style-type: none"> • Farmer Confidence • Farmer Awareness of B+LNZ and what it does • Number of farmer entrants to awards/competitions • Number of farmer participants at industry conferences/events 	<ul style="list-style-type: none"> • >60% • >80% • +10% • + 20%
Activity	Target Date
<ul style="list-style-type: none"> • A strategic communications programme is delivered which grows the knowledge, recognition and support for the sector amongst key stakeholders • A measure of stakeholder recognition and support is developed and implemented • B+LNZ leads primary sector commentary through use of Economic Service data providing forward looking analysis that helps farmers make informed business decisions • Deliver a programme of Awards and Competitions that grow participation, support and recognition and are cost effective <ul style="list-style-type: none"> ▪ (Golden Lamb Awards – Glammies, Steak of Origin, Sheep Industry Awards ▪ Ewe Hogget Competition ▪ Ahuwhenua Trophy • Deliver Industry Conferences/events that grow participation, and recognition for and from the sector <ul style="list-style-type: none"> ○ B+LNZ Annual Meeting ○ Farmer Council Conference ○ Red Meat Sector Conference ○ Environment Conference 	<ul style="list-style-type: none"> • Q1-Q4 • Q2 • Q1-Q4 • Q2 • Q3 • Q3 • Q2 • Q2-Q3 • Q2 • Q4 • Q3
Budget 2016-17	\$2.0 million

Making a great organisation

Strategic Priority: Making a great organisation	
Success statement: Farmers and staff are equally proud of the organisation and B+LNZ continues to attract the best people, develop them, keep them safe, healthy and happy and in doing so help drive farmer confidence and profitability.	
KPI's	Target
<ul style="list-style-type: none"> • Farmers are satisfied with their levy investment in their organisation • Staff enjoy working for B+LNZ • Staff agree B+LNZ makes Health, Safety and Wellbeing a top priority and accident stats back this up. • Staff consider B+LNZ provides opportunities to develop skills and develop career opportunities 	<ul style="list-style-type: none"> • >60% • >90% • >80% • >80%
Activity	Target Date
<ul style="list-style-type: none"> • B+LNZ develops programme to achieve world class capability in strategy development, benefits measurement, implementation and evaluation • B+LNZ strategy is refreshed with farmers and other stakeholders to better deliver to farmers • An effective staff engagement programme is implemented. • Health, Safety and Wellness workplan implementation completed successfully • Performance, remuneration and development programme implemented successfully • Information and communication infrastructure is upgraded to improve efficiency and results in better engagement with farmers and other stakeholders • Communications <ul style="list-style-type: none"> ○ B+LNZ website and portal redevelopment ○ B+LNZ intranet redevelopment ○ Industry events calendar ○ An effective farmer consultation programme is completed • CRM Updated to 2016 and migrated to Cloud, on time, specification and to budget • Information management strategy agreed and implementation commencing • Technology Upgrade to Office365 (cloud hosted) and Windows 10 • Finance system upgrade and purchase ordering implemented 	<ul style="list-style-type: none"> • Q2-3 • Q1-Q2 • Q2 • Q1-Q4 • Q1-Q4 • Q2 • Q2 • Q2 • Q2 • Q4 • Q1 • Q1 • Q2 • Q3
Budget 2016-17	\$0.8 million