



***Farm Management 500 Global***

**Global Networks and  
Adoption of the Web**

**A report for the Rural Industries  
Research and Development  
Corporation**

by Matt McCarthy & Neil Clark  
Farm Management 500

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# Foreword

The objectives of the project were to:

- Accelerate the adoption of email/Internet services to improve access to quality technical, financial and social information, and
- Create Global networks for FM500 farming families.

This will lead to the creation of International Benchmarks for farmers, the adoption of world best practice and expanded travel opportunities for all members of the family.

This project was funded from RIRDC Core Funds which are provided by the Federal Government and is an addition to RIRDC's diverse range of over 600 research publications. It forms part of our Human Capital, Communications and Information Systems R&D program, which aims to enhance human capital and facilitate innovation in rural industries and communities.

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**Peter Core**  
Managing Director  
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# **Abbreviations**

FM500 = Farm Management 500

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# Executive Summary

## INTRODUCTION

Farm Management 500 is a network of ongoing farm management discussion groups facilitated by private consultants. The FM500 membership is largely broad-acre dryland grain growers and livestock producers of southern NSW, northern and western Victoria and eastern South Australia.

Valuable networks have been established at local level, the benefits of networking in groups are now clearly understood by members. The next step is to extend these networks overseas.

The Internet is continually creating new ways of communicating and doing business.

There are three barriers to moving from 'local to global'. The first is actually finding the right contacts, the second is developing written communication skills, and the final is selecting the most useful communications media, including Internet and email.

## OBJECTIVES

To create Global networks for FM500 farming families and accelerate the adoption of email/Internet services to improve access to quality technical, financial and social information. This will lead to the creation of International Benchmarks for farmers, the adoption of world best practice and expanded travel opportunities for all members of the family.

## IMPLICATIONS

Despite rural internet and infrastructure barriers, FM500 members have taken up the Internet/email technology at a much faster rate than the general farming community, with weather, price discovery, market analysis and technical/production research being major uses.

The introduction of faster and more streamlined services will add significant value to those already on-line and familiar with the internet. Until these faster alternatives (ie satellite) are more economically viable, adoption of internet based services will tend to stagnate.

There is potential to establish strong global networks and contacts, however it needs to be carefully planned and well resourced, with establishment of relationships being avoided until compatibility is clear.

Many FM500 members are using the internet as a source of market information and intelligence prior to purchasing a product. However, they are conducting the transaction by traditional means. There are implications in this for dedicated web traders.

Creating awareness of, and evaluating, the role of e-business to individual farm businesses requires a different approach to conventional computer lab training. The awareness, application and assessment model developed in this project has worked well and could be refined more for wider use.

## **RECOMMENDATIONS**

- More opportunities are needed to enable farmers to evaluate the potential impact of e-business.
- Effective models for building farmer awareness of e-commerce and providing opportunity for farmers to have input to the development of e-business sites and processes need to be explored.
- Conference phones have proven to be an effective means of group communication.
- Identify and firm up compatible global groups. The FM500 private group extension model is unique. It should be encouraged in other countries.
- On going global networking will require painstaking research to guarantee the compatibility of groups. Whole business benchmarking provides an effective channel of evaluation prior to full commitment.
- Canada has recommended that the relationship in place be continued. As the structure develops, more formalised twinning of groups can take place.
- There are opportunities for matching farming families across the world for exchange of family members for harvest and/or seeding labour requirements and for personal development.

# Introduction

Farm Management 500 is a network of ongoing farm management discussion groups facilitated by private consultants. The FM500 membership is largely broad-acre dryland grain growers and livestock producers of southern NSW, northern and western Victoria and South Australia. The results and observations presented apply only to the membership of FM500.

Valuable networks have been established at local level, the benefits of networking in groups are now clearly understood by members. Our leading farming families are able to combat declining terms of trade through improved productivity supported by technical excellence. They continue to build networks with top farmers and institutions Australia wide. The next step is to extend these networks overseas.

The Internet is continually creating new ways of communicating and doing business. E-Business has been heralded as presenting large benefits, especially for rural and remote businesses, such as farms (2). Simpson (1999) reported that, although business to business e-commerce growth had been significant, e-commerce opportunities relating directly to farming operations were still few in number. This situation is changing rapidly.

There are three barriers to moving from 'local to global'. The first is actually finding the right contacts, the second is developing written communication skills, and the final is selecting the most useful communications media, including Internet and email.

## Objectives

To create Global networks for FM500 farming families and accelerate the adoption of email/internet services to improve access to quality technical, financial and social information. This will lead to the creation of International Benchmarks for farmers, the adoption of world best practice and expanded travel opportunities for all members of the family.

# Methodology

## Internet Audit

A questionnaire about Internet use was mailed to 450 FM500 member businesses in May 2000.

The return rate was 90%.

## Internet and Email Training Workshops

This training was delivered in five formats:

1. FM500 facilitators undertake hands on Internet/email awareness/training – October 1998
2. FM500 group hands on training modules delivered utilising local training providers – April 1999 to August 2000.
3. FM500 Global IT conference sessions – Interaction between members and internet/e-commerce providers – March 2000.
4. FM500 Global conference sessions
  - “Internet and telecommunication advances” Joe Hovell September 1998.
  - “Information Technology in the 21<sup>st</sup> Century” Stephen Alexander July 1999.
  - “The future of e-commerce in farming” Neil Fox March 2000
5. FM500 Global / RIRDC email service. A six weekly email service providing a short and focused email bulletin to members on-line. Material for the email focused on assisting members to use the internet/email, find useful business sites and encouraged feedback and suggestions of favourite sites and updated members on the ongoing FM500 Global activities. A telephone hotline was promoted in the email service to provide a non-threatening means of seeking help with the Internet and using email.

## **Global Contacts**

The initial target for formal networks was Canada. Contacts were established through the Canadian Farm Business Management Council and the Agricultural Institute of Management, Saskatchewan. Links were built with existing Farm Marketing Clubs and with a small number of consulting firms. An effort was made to officially 'twin' individual FM500 groups with groups in Canada.

In the USA, a strategic alliance with the Professional Farmers of America organisation was explored.

Contact with New Zealand was channelled through leading chartered accountant Pita Alexander, based in Christchurch.

Contact was made with the British based Nuffield scholarship.

Especially purchased speaker phones were used at group meetings to enable discussion between Australian, Canadian and USA based groups and experts, with topics discussed including current climatic conditions and outlook, marketing, production, social and financial.

The project has resulted in visits to FM500 groups in Australia by key contacts from Canada and USA. The aim of the visits being to share leading edge information and for them to learn more about the FM500 model with a view to emulating it back in their respective countries, and included:

- John Spencer      John Spencer and Associates, Clavet, Saskatchewan, Canada, sponsored by AIMS Canada.
- Dan Manternach    President and Editor in Chief of Professional Farmers of America.
- Rene & Dianne Jalbert      Grain farmers, Saskatchewan, Canada.

## **Global Benchmarks**

Many FM500 members have been involved in the FAST National/O'Callaghan Rural Management Business Benchmark projects, and have a good understanding of the process and results.

Thirty Canadian farming businesses are in the process of completing the same Business Benchmarks. These will be analysed and the results jointly presented by a Canadian farmer, a Canadian agricultural consultant and an Australian agricultural consultant to the February 2001 FM500 Annual Intergroup workshop.

# Detailed Results and Discussion

## Internet Audit

The Audit results are as follows:

No of Surveys Completed:	<b>403</b>
--------------------------	------------

<b>Do you use the Internet?</b>			
<b>1.</b>	Are you connected to the Internet?	<b>319</b> Yes	<b>84</b> No
<b>1.a</b>	Why aren't you connected:	<b>1.b</b> Do you intend to get connected?	
	<b>15</b> Don't own a computer	<b>5</b>	No
	<b>2</b> No local call access to Internet Provider	<b>53</b>	Yes, in next 12 months
	<b>6</b> Don't know what is involved	<b>17</b>	Maybe in the future
	<b>4</b> Can't see the benefits		
	<b>48</b> Other		

<b>Your System and the Internet</b>			
<b>2.</b>	Number with Email Addresses:	<b>314</b>	
<b>3.</b>	Number with Website Addresses:	<b>12</b>	
<b>4.</b>	How long have you been connected	<b>5.</b>	What software is used to browse the Web
	<b>97</b> Less than 1 year	<b>30</b>	Netscape
	<b>116</b> 1-2 years	<b>275</b>	Microsoft Internet Explorer
	<b>101</b> More than 2 years	<b>1</b>	Other
<b>6.</b>	What software do you use for Email?		
	<b>20</b> Outlook		
	<b>222</b> Outlook Express		
	<b>12</b> Eudora		
	<b>2</b> Pegasus		
	<b>13</b> Other		

<b>Who Uses the Online services in your Family</b>					
<b>7.</b>	Who uses the Internet and how often?	High Use (almost daily)	Medium (once/week)	Low Use (once/month)	Never
	Parent (Husband)	<b>113</b>	<b>104</b>	<b>46</b>	<b>17</b>
	Parent (Wife)	<b>79</b>	<b>108</b>	<b>56</b>	<b>24</b>
	Adult Child working on-farm	<b>25</b>	<b>26</b>	<b>12</b>	<b>5</b>
	Child's Spouse	<b>7</b>	<b>9</b>	<b>1</b>	<b>2</b>
	Other Children	<b>36</b>	<b>61</b>	<b>29</b>	<b>11</b>
<b>8.</b>	Indicate what areas do your business uses the Internet for:		Business <b>53%</b>	Personal <b>34%</b>	Education <b>23%</b>

<b>Which Online service do you currently use?</b>						
	How often do you use:	Daily	2-3 times a week	2-3 times a month	Rarely	Never
<b>9.</b>	Email	<b>93</b>	<b>129</b>	<b>51</b>	<b>29</b>	<b>10</b>
<b>10.</b>	Bulletin Boards	<b>7</b>	<b>13</b>	<b>23</b>	<b>102</b>	<b>163</b>
<b>11.</b>	Live Chat Sessions	<b>3</b>	<b>9</b>	<b>12</b>	<b>58</b>	<b>222</b>
<b>12.</b>	Internet Browed	<b>23</b>	<b>132</b>	<b>101</b>	<b>46</b>	<b>5</b>

<b>What does your Business use Online services for?</b>						
<b>13.</b>	How has your business used Online services to date?					
	Useful	Not Useful	Have not Used	Useful	Not Useful	Have not Used
	<b>199</b>	<b>5</b>	<b>0</b>	<b>154</b>	<b>5</b>	<b>125</b>
			Education			Online banking
	<b>57</b>	<b>6</b>	<b>200</b>	<b>151</b>	<b>9</b>	<b>103</b>
			Purchasing new items			Recreation, hobbies, etc
	<b>31</b>	<b>9</b>	<b>225</b>	<b>277</b>	<b>5</b>	<b>14</b>
			Purchasing farm inputs			Weather
	<b>34</b>	<b>6</b>	<b>223</b>	<b>106</b>	<b>19</b>	<b>128</b>
			Selling farm produce			News & current affairs
	<b>209</b>	<b>10</b>	<b>67</b>	<b>19</b>	<b>1</b>	<b>31</b>
			Technical information			Other
	<b>215</b>	<b>6</b>	<b>64</b>			
			Market Analysis			
<b>14.</b>	Are you interested in using the internet to buy products or services for your farm					
	<b>23</b>	No				
	<b>125</b>	Unsure				
	<b>95</b>	Yes, to find the items we want, but we will buy in person, by mail or phone				
	<b>71</b>	Yes, to find and purchase the items we want				
<b>15.</b>	Are you interested in using the internet to sell farm products or services in the future					
	<b>20</b>	No				
	<b>149</b>	Unsure				
	<b>85</b>	Yes, to find the items we want, but we will buy in person, by mail or phone				
	<b>61</b>	Yes, to find and purchase the items we want				

## Training

- 16.** In regard to training in the use of Online services do you need more training in:
- |   |   |
|---|---|
| <b>29</b> None required                         | <b>147</b> Computers in general               |
| <b>214</b> Searching the Internet (efficiently) | <b>206</b> Buying and Selling on the Internet |
| <b>133</b> Using emails-                        | <b>16</b> Other aspects                       |
- 17.** Are you interested in being involved in the new FM500 E-commerce Pilot Project?
- |                |              |
|----------------|--------------|
| <b>143</b> Yes | <b>53</b> No |
|----------------|--------------|
- 18.** If Yes, what level of Internet skill/experience would you rate yourself?
- |                             |                     |
|-----------------------------|---------------------|
| <b>26</b> Absolute Beginner | <b>39</b> Competent |
| <b>94</b> Some Experience   | <b>1</b> Advanced   |

### *Use of the Internet*

Eighty percent of FM500 members are connected to the Internet, with a further 13% expecting to be connected in the next 12 months. Another 4% indicated they would be connected some time in the future.

A third of those connected have been for over 2 years. Another third (36%) of respondents have been connected, for 1-2 years and a third for less than one year. This result indicates the rapid uptake of the technology over the last 2-3 years. Eighty per cent connected is significantly greater proportion compared to grain, beef and sheep farms in general, 18% of which are estimated to be on-line (1).

### *Who uses the Internet*

Two hundred and sixty respondents rated themselves as 'high' (almost daily) users. The senior male of the business made up 44% of these 'high' users. This is thought to be a result of them being more likely to routinely check weather forecasts or market prices. The senior female in the business made up 30% of the daily users.

On average 53% of Internet use is for 'business', 34% 'personal' and 24% 'education'.

### *Current use of the Internet*

E-mail was used daily by 30% of those connected. Forty two percent use e-mail 2-3 times per week. This indicates that e-mail is becoming a significant means of communication for some farming businesses. This is a higher use compared to the 1997 Farmwide pilot survey (3), which reported that 21% of the businesses on-line were using e-mail daily and 25% 2-3 times per week (3).

**Table 1.** Frequency of Internet use by FM500 members

Internet Use	Frequency				
	Daily	2-3 Times per Week	2-3 Times per Month	Rarely	Never
Browsing	8%	43%	32%	15%	2%
Discussion Groups	2%	4%	8%	33%	53%
Chat	1%	3%	4%	19%	73%

Browsing the Internet is most commonly carried out two or three times per week, or per month. Participants have reported that they are becoming increasingly frustrated with browsing due to the slowness of their connection, and the sheer volume of irrelevant material they encounter. Despite the constant promotion of the potential benefits offered by bulletin boards, discussion groups and chat rooms, they have largely failed to appeal as useful to the large majority of farmers. Eighty six percent of participants rarely or never use discussion groups, while ninety two percent rarely or never use ‘chat’. This result is very similar to that reported in Farmwide pilot survey 1997 (3) where 71% of respondents ‘rarely’ or ‘never’ used discussion groups while 81% rarely or never used chat rooms.

**Table 2.** On-line Services Considered Useful by FM500 Members.

Internet service	Perceived Usefulness
Weather	87%
Market Analysis	67%
Technical Information	66%
Education	62%
Internet Banking	48%
News and Current Affairs	34%
Purchasing Personal Items	18%
Selling Farm Produce	10%
Purchasing Farm Inputs	10%

Table 2 shows that a majority of members are already using the Internet successfully to access weather, market and technical information. On-line banking is used by almost half of the 435 farms surveyed. The Internet has been useful for selling products or purchasing business inputs for about 10 percent of the membership. This is similar to the 16% of farm Internet users who had used the Internet to buy goods and services in early 1997 (3). This area of e-business has not grown like expected over the last few years. News and current affairs are seen as useful by only a third of those on-line.

### *Future use of the Internet*

**Table 3.** Interest in Purchasing Farm Inputs On-Line by FM500 Members with Internet Access

	<b>Will Purchase On-Line</b>
Unsure	40%
Yes – To find items but purchase traditionally	30%
Yes – To find and purchase via the Internet	23%
No	7%

Table 3 shows that 53% of on-line FM500 members are intending to use the Internet for purchasing farm inputs. The Farmwide pilot survey in 1997 (3) showed 38% felt they would like to buy on-line, 28% were 'unsure', while 34% were not interested. This shows a general increase of businesses considering on-line purchasing, a significant reduction in those who definitely will not and still a large number who are 'unsure'. Feedback from members regarding the on-line purchasing facilities trialed to date, suggests that the existing shopping and purchasing models are not suited to farmer's needs and can be frustrating to deal with. The problem of slow line speeds is a major barrier to the further adoption of e-business by farmers. The introduction of wider broad band and satellite services will help assist greatly in the adoption of e-business.

Local farm suppliers have already felt some impact from the Internet. The e-business trend will contribute to the trend of decoupling purchasing product from purchasing advice. Many retailers are preparing for this eventuation.

### **Internet and Email Training Workshops**

Approximately 250 farm businesses have been involved in hands-on internet/e-mail training sessions as part of this project. Approximately 350 farm businesses have been exposed to visionary or expert speakers on Internet and e-commerce.

The original objective was to deliver 60 training modules. Each of the 45 FM500 groups has completed a hands-on Internet training session at an appropriate training venue. These have been backed up by demonstration sessions, on a local group level, of international agricultural Websites, Internet banking and other e-business applications. Coupled with these activities have been the expert Internet speakers who addressed the FM500 Intergroup workshops.

The deliberate process of combining hands-on Internet training, visionary, expert speakers and interaction with ".com practitioners", who are providing services to farmers via the Internet, has been quite successful. This process aimed to deliver awareness and basic skills

but also generate the excitement or enticement for members to get on-line or make more use of their existing Internet connection.

Another, less expected benefit, from the workshops with e-commerce providers was the interaction between the Internet technicians and marketers behind the Websites and the FM500 members. This enabled practicalities of navigation, purchasing processes, website design, line speeds and other issues to be openly discussed. The e-commerce providers found these sessions particularly useful in improving the useability and farmer friendliness of their e-commerce sites.

The regular email update service is read by a large majority of FM500 members. However, interaction and feedback via this facility has been minimal. Plans are in place to make interacting and providing feedback via the FM500 email service and website easier and more valuable.

## **Global Contacts**

Through this project, meaningful contact and dialogue was achieved with Canada, USA and New Zealand. However, ongoing, useful linkages have proved difficult to maintain, especially at a group level. Building Global contacts, both nationally and internationally, has proven difficult to get right. There are a number of factors contributing to the difficulties.

- The Farm Management 500 structure is a collegiate of rural consultants all contributing a range of skills to the facilitation and development of innovative, on-going, group activities. Funding is sourced from a mix of farmer subscriptions, corporate sponsorship and government training subsidies. This structure has proven to be quite unique, not only in Australia but also throughout the world. For example, in New Zealand groups of this kind could not be identified. New Zealand consultants tend to work with a set clientele which they guard closely, and group activities are generally not a part of the service.
- A majority of Farm Management 500 members have been exposed to business benchmarking and analysis, marketing, staff management, financial management and other business management issues for some time now. A high level of trust and rapport exists within the groups. As a result they have developed a high level of sophistication in their approach to business. To be valuable, networks need to be on a similar level of sophistication and expectation. To date it has proven difficult to achieve this match. For example, the initial contact with Saskatchewan, Canada turned out to be in the rural adjustment sector. This limited the value of the information exchange and networking to FM500 members, who tend to be leading edge, expanding businesses. Contact with Alberta, Canada is expected to be with a more positive sector.
- Differing socio-economic, cultural and political environments can limit meaningful interaction and comparison. For example, due to government intervention and distorted markets in the USA and Canada it seemed easier to deal with husbandry and operational issues rather than economic. This has been valuable but has limited the depth of interaction. For example, there was very valuable interaction with Canadian farmers about frosting effects in canola after the big freeze across Victoria in October 1998.

- Twinning FM500 groups with farm management groups in Canada has not yet worked. Group to group interaction was limited by time and seasonal differences and technology. Group to individual farmer, or adviser, contact via conference phone has proved practical and useful. The two conference phones purchased by the project have performed very well in the difficult conditions they are used in. They have been so successful the project is purchasing an additional dedicated conference phone to improve group access to these essential pieces of equipment.

On the positive side useful interaction and sharing of knowledge and experience has been achieved through the visits by Canadian and US farmers and advisers to FM500 groups. An increasing number of FM500 members are visiting Canada due to the similar farming systems, machinery and social structures. The project has succeeded in building awareness of the networking and learning opportunities that exist, particularly in North America and New Zealand.

## **Global Benchmarks**

After some delays and difficulties in interpretation, benchmarking is currently under way with farmers and consultants in Alberta, Canada. It is hoped that a standardised benchmarking system will break down the impediments to making direct comparisons of performance between Australian and Canadian farming businesses. The education and familiarisation process has been completed and analysis is under way with a Canadian farm consultant and his client base.

# Implications

## Internet Audit

- Since early 1998 the percentage of FM500 members who are using email/internet has grown from 10% to 80%. General farming connectivity to the Internet is estimated at 22%. This indicates a large uptake of the technology by FM500 members over the last two years, well above the general industry trends. The awareness and coaching provided through this project has contributed to accelerating the adoption of the web.
- E-mail is becoming a common communication tool for farmers. Over 30% of FM500 members use e-mail daily. Discussion groups and chat rooms have only had a very small uptake, and do not seem to yet appeal to the large majority of FM500 members.
- The Internet is used heavily by FM500 members for weather, price discovery, market research and accessing information on technical or production issues.
- Shopping on-line is still very much in its infancy. There are some good ideas and innovative concepts being developed. However the purchasing or interactive process is often slow and clumsy, and do not reflect the way that farmers do business. This situation is changing rapidly and constantly at the present time.
- Many are using the Internet as a source of market information and intelligence prior to purchasing or selling a product. This is an area of potential growth.
- The generally slow and poor quality Internet services in rural areas are a major barrier to the promotion and adoption of Internet and e-business facilities by farmers.
- Price benefits offered by dedicated web traders are generally not significant enough to threaten the relationship with local resellers at this stage.

## Internet and Email Training Workshops

- The model of combining hands on Internet training, seminar presentations and interacting one to one with e-commerce and Internet information providers has proven popular with FM500 members. Sometimes all three of these activities have been provided on the one day.
- The next step is beyond training farmers how to surf the Internet and use email. The challenge is to provide the environment where farmers can be exposed to, and evaluate

the suitability of e-commerce to their business. This requires a different approach than conventional computer lab training.

## **Global Contacts**

- Identifying and nurturing international group networks takes significant time and resources. The temptation to rush the establishment of a relationship should be avoided until compatibility is clear. The level of compatibility in factors such as attitudes, ethos and motivation will determine the extent to which resources should be invested in establishing and sustaining the relationship.
- FM500 provided advice to John Spencer on how best to set up an FM500 model in Canada. Some initial steps in setting up corporate sponsorship and groups have been taken.
- From the Canadian viewpoint the FM500 Global concept is sound. However, the conflicting mandates or desires of FM500 and AIMS, and lack of communication on what was needed to make effective links has slowed the Global link that is needed. The revised Canadian structure will make effective linking more likely. A short report prepared by John Spencer (Saskatchewan based consultant is attached as Appendix 1).
- From FM500's experiences in this project the best prospects for Australian grain and mixed farm groups to look to for global networking are:
  1. Canada (Grains) – Marketing club structures existing. Significant rural adjustment occurring.
  2. USA (Grains) – No structure similar to FM500. Large one off events – eg ProFarmer of America conferences.
  3. New Zealand (livestock) – No structure similar to FM500.
  4. United Kingdom (Grains) – More research necessary.
  5. South Africa – 5 years behind, distorted market, non exporting nation, land ownership issues
- There is still large potential for establishing strong global networks and contacts, however it needs to be carefully planned and well resourced.

## **Global Benchmarks**

- The current experiment in standardising farm business benchmarking with a Canadian group of farms will provide some indication as to the potential of developing international farm performance benchmarks and indicators of world best performance.
- Meanwhile, FM500 Canada is focussing first on developing an information package and local link that will give producers something concrete to work with. It is estimated that the first data (similar to the FAST Benchmarking project) will be available in late winter 2001.

# Recommendations

1. New technology, such as the internet and email provide an excellent means of communication between individuals but is still lacking as a communication tool for groups. The dedicated conference phones have proven to be the most effective means of group communication.
2. More opportunities are needed to enable farmers to evaluate the potential impact of the Internet as a business tool.
3. Effective models for building farmer awareness of e-commerce and providing opportunity for farmers to have input to the development of e-business sites and processes need to be explored.
4. Recognition that meaningful on going networking with overseas farm management groups will require painstaking research to identify and firm up compatible groups. This requires significant resources. The structure of the private group extension model (ie FM500) should be encouraged in other countries so that groups will be more compatible.
5. There are opportunities for matching farming families across the world for exchange of family members for harvest and/or seeding labour requirements.
6. From the Canadian viewpoint, they have recommended that the relationship in place be continued. As the structure develops, more formalised twinning of groups can be re-established.

# Appendix 1: Global Contacts

## FM Global A Saskatchewan Perspective *By John Spencer November 2000*

The opportunity to link with Australian and American farmers is desirable to most Canadian grain producers. However, several circumstances beyond the control of FM500 or the Canadian organisers have delayed the project's development.

### Pros:

- All parties in Canada recognise the need to exchange information with other producers to stay ahead of the game.
- The further away from the local scene a colleague is, the less threatening the relationship is deemed.
- There is an intrinsic trust for Australians in Saskatchewan. They are seen to be “like us” with an adventurous streak we admire.
- Australians are seen to be “profit-oriented” without being completely “profit-centred”, as Americans are often seen.
- The approach Australians have used to deal with marketing and other issues is one deemed valuable by Canadian producers.

### Cons:

- Selection of “twinned” clubs or groups was rigorous. Mandates differed between Canada and Australia. The instruction from AIMS, the Saskatchewan funding organisation, was that all clubs that wanted to be part of the project should be included. However, the needs of the FM500 groups appeared to be for very specific groups of producers, similar in all respect to those in Australia. As a result, the initial lists of producers did not meet the needs of the Australian organisers. Also, the Saskatchewan clubs lost interest when they weren't contacted or action did not proceed.
- The Canadian information base for exchange with Australian producers was not nearly as sophisticated as the GRDC funded FAST project. As a result, information was difficult to find for club to club comparisons. While the information will eventually be available, there appears to be a one-way traffic to Canada. This is frustrating for all parties.
- The Canadian Consultant system differs from the Australian system. The typical Canadian consultant is likely part-time or is focussed in one speciality. The type of service provided in Australia is not readily available here. Many of the consultants involved in agronomics are linked to the “debt-issues” group, which may limit their appeal to the successful, leading-edge producer desirable to the program.
- However, the pool of consultants is growing as government-based programs end. Significant interest has been expressed to the Canadian organisers about participating in the FM500 Global initiative.

- AIMS terminated funding for the project and most others like it as part of a scaling down of involvement. As a result, new funding for the development process must be sought.
- The team of consultants originally linked to make the Canadian side of the project work has been scrapped. The cold, hard facts are that the team was more interested in side issues than establishing a viable linking of producers. A new team has been assembled. One staff member has been dedicated to the project.

### **Circumstances Limiting Progress:**

- The general weakening of the Western Canadian Grains sector has worsened to a full collapse in some areas. This economic pressure has resulted in many producers focusing on local issues first, rather than taking a global view. They are less interested in information exchange.
- Many producers have focussed on political issues and other local solutions to their problems.
- A huge proportion of producers now have full time off-farm work, even in the key demographic for enrolment in the FM500 Global project. Over 60% of producers in the key age group for this project are off-farm employed. This limits time and resources available for club activities. Many producer clubs have folded in the last 12 months.
- In a time of negative incomes, producers have been resistant to paying for memberships in projects like FM500 Global.

### **Where Are We Now:**

- FM500 Canada has retrenched with a new set of consultants and staff. A staff member, Don Dabrowski, has been dedicated to the project as his only activity.
- FM500 Canada is focussing first on developing an information package and local link that will give producers something concrete to work with. It is estimated that the first data (similar to the FAST project) will be available in late winter 2001.
- Links have been made to groups such as the Western Canadian Wheat Growers and other leading edge farm organisations in areas least affected by drought or flooding. These groups will form the new core groups for the project.
- Interest in linking with Australia remains high, but initial exchanges will likely be limited to hosting Australians who come to Canada or trying to facilitate visits on an individual basis to Australia. E-mail or other electronic twinning is also still desirable.
- Materials developed in Australia have been adapted to our local requirements, but remain close enough in construction to allow ready exchange of information between clubs.

### **Conclusion:**

- The FM500 Global concept is sound. However, the conflicting mandates or desires of FM500 and AIMS, and lack of communication on what was needed to make effective links has slowed the Global link that is needed. The revised Canadian structure will make effective linking more likely.
- It is recommended that the relationship still in place be continued. As the Canadian structure develops, more formalised “twinning” of groups or individuals can be achieved.

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