

INTEGRATED ADVISORY SERVICES

*Torsten Gruhn*¹

BACKGROUND

The vision of the Danish Agricultural Advisory Service (DAAS) is that in future Danish cattle farming will be the most competitive cattle farming industry in the EU in relation to cost-effectiveness, sustainability and quality. If this vision is to come true it is crucial to reduce the gap between the operating results of the dairy farmers and the production they achieve while at the same time improving standards.

The hypothesis of the project is to make this happen through better targeted advisory services producing results that the farmer can measure. If these advisory services are to become a success the advice given must be based on an analysis of the farm followed up by identification of high-priority areas. In addition, the advisory services must be binding with clear agreements on action plans, areas of responsibility, follow-up and measurement of the impact of the advisory services. Among other things the project is based on experience from the projects “Development of Harmonious and Economic Dairy Farms” and “Capacity and Financial Management of Farms”.

According to the experience from previous projects under the project “Development of Harmonious and Economic Dairy Farms” it is possible through specific action plans and close follow-up to improve the cost-effectiveness of dairy farms. The project “Capacity and Financial Management of Farms” indicated that collaboration between researchers, employees of the National Centre and local advisers about specific cases (farmers) is the only way to go if the advisory services are to experience any progress.

This project is part of a larger project – “Cattle Production 2010”. This is a collaborative effort between the Danish Agricultural Advisory Service, the Food and Resource Economic Institute and the Danish Institute of Agricultural Sciences. Other projects included in “Cattle Production 2010” address:

- Management and decision behaviour
- Key figures relevant to the dairy farmer
- Strategic management system
- Feed supply
- Managing livestock health and welfare.

For the project “Integrated Advisory Services” we have joined forces with three local advisory centres and 18 farmers.

Project objectives

We will conduct this project with two specific aims:

Cattle farmers:

To improve the financial margin of cattle farmers. This will provide them with sufficient basis for the desired development of their farms and a good life as a farmer – and a future existence as a cattle farmer.

¹Danish Agricultural Advisory Service (e-mail: TOG@landscentret.dk)



Advisory services:

To improve the possibilities of providing the cattle farmers with effective advisory services. These services must be based on multi-disciplinary methods and their impact/practical value for the production and the economy of the farm must be documented.

PROJECT GOALS

We will fulfil the project objective through a series of measures.

1. We will provide advisory products that will improve the production-related and operating results of the cattle farmers from their farming efforts as a whole, in agreement with individual values and goals. As part of the advisory products the following will be developed for the cattle farmers in consultation with the advisers:
 - a. Strategic analysis of the farms.
 - b. Identification and prioritisation of high-priority areas.
 - c. Specification of goals for the high-priority areas.
 - d. Action plans that safeguard that the set goals are met.
 - e. Follow-up on the action plans.
 - f. Measurement of the efficiency of the advice given.
2. Support to the advisers in the form of advisory tools, processes, methods, structures and organisation adapted to the individual centres. These tools must/can
 - a. structure the collaborative relationship between the advisers working with the farm and make sure the team/the collaborative effort works.
 - b. ensure that the advisers are familiar with the values, strategies and general goals of the farmer.
 - c. ensure that the advisers know about the advisory services provided to a particular farm (logbook).
 - d. be advisory services that commit all parties so that everybody have a stake in the activities. Ensure clear agreements as to the content, progress and practical value of the advisory services.
 - e. create recognition of the need for action and motivate action. Possibly give opportunities for benchmarking.
 - f. ensure targeted follow-up.
3. Proven, documented and measured practical value of the advisory services.
4. Implementation of the advisory products, tools, processes, methods and organisation of the advisory services.

CONTENTS

This project will analyse the process involved in providing cattle farmers with advisory services in order to improve the practical value of these services to the farmer. The target is to develop new advisory service methods that will cause farmers and advisers to generate results through attention to their own conduct and to what motivates a person to move from acknowledgement to action.

The project will include the following:

- Advisory products will be developed and described for identification of and follow-up

on high-priority areas in collaboration with local centres.

- The advisory products described will be demonstrated and carried through at projects farms, and the practical value of the advisory services and their impact on the operating results of the farm will be documented.
- The organisation, method and structure of the work realised in connection with the advisory services will be identified and described.
- Procedures and methods will be developed and described in connection with “Advice on Advisory Services”. This will ensure speedy implementation in the advisory services in a wider perspective.
- At the National Centre a team of process and implementation advisers will be set up capable of ensuring that knowledge from this project as well as from other projects will be applied by other centres.
- Identical methods will be developed, key figures will be identified, and the data necessary to be able to measure the practical value of the advisory services will be rendered visible.
- The compiled knowledge and experience will be implemented in the advisory service as such on an ongoing basis.
- Constant dissemination of information about the results of the project at the website LandbrugsInfo and in other relevant media.

TIME SCHEDULE

2003 Start of project

Selection of advisory centres

Selection of farmers

Start of advisory process with the farmers

2004 Description of method used to measure the practical value of the advisory services

Maintenance of advisory processes with the farmers

Implementation of preliminary project results at other advisory centres -
Action plans and follow-up

2005 Determination of method used to measure the practical value of the advisory services

Maintenance of advisory processes with the farmers

Implementation of preliminary project results at other advisory centres -
The Good Advisory Process

2006 Finalization of advisory processes with the farmers

Measurement of the practical value of the advisory service

2007 Reporting

One of the project goals is to development a proven, documented and measured practical value of the advisory services. I have choose to describe that work closer in the following text.



METHOD TO MEASURE THE PRACTICAL VALUE OF THE ADVISORY SERVICES

Definition of practical value

The objective of advisory services is to change the behaviour (actions) of the person or persons that are given advice. In other words, the advisory services are intended to lead to changes in behaviour that will produce a different result (positive result) compared with a situation without advisory services.

The practical value is the value of the result produced by a specific effort. This result is produced as a consequence of the changed behaviour in the person who has been the object of the effort.

The practical value is defined as always being positive, unless otherwise specified. A positive practical value means that the result of the changed behaviour is greater than the effort made.

Definition of goal, action plan and instruction

A goal is a desired condition that requires changed actions and hence changed behaviour. It is possible to state a goal in terms of quantitative and qualitative values. For a goal to be applied in connection with “Cattle Production 2010” it must have a deadline and be realistic and measurable.

Goals for an action at a farm in relation to “Cattle Production 2010” are defined in an action plan. An action plan lists a number of data, including a goal and instructions for the farmer who has to comply with these instructions to achieve the goal. These instructions must have deadlines and be specific and “measurable” (have they been carried out or not?).

The instructions may contain three types of activities/actions, viz. operations-related (procurement, production and sale), investment-related and finance-related.

Why take an interest in the practical value?

Documenting the practical value of the advisory services can be looked at from four different points of view: (in this context commercial advisory services are disregarded)

- Farmers
- Adviser
- Development advisers
- Researchers

Re. Farmers

Farmers will be interested in the practical value of the advisory services to be able to assess whether the effect of the advisory services exceeds the farmer’s own efforts. The effort invested by the farmer can be time, energy and money. If the farmer sees that the advisory services have a practical value, he/she will be more inclined to receive further advice.

Re. Adviser

Two aspects make it interesting for an adviser to be able to document the practical value of advisory services. Firstly, it will be a good sales pitch, and secondly, it will have a motivating impact on the adviser as well as on the farmer.

Re. Development advisers

Advisers who are involved in developing advisory tools (practical tools as well as descriptions of methods and processes) want to know whether the tools work. Development advisers

want to be able to document the practical value of a specific advisory tool in order to further its use through this documentation and hence increase the sale of that particular tool.

Re. Researchers

It is in the researchers' interest to be able to document that the knowledge they produce has a practical value in the advisory services. Research knowledge is applied both in the form of professional knowledge shared by the advisers and as integral knowledge implemented in the advisory tools.

Common to these stakeholders there are two reasons why they should take an interest in documenting the practical value of a specific advisory service:

1. Behavioural changes give rise to motivation
2. The sale of services

Re. 1

It is critical to the outcome of an advisory process and hence to the practical value of this process that the farmer and adviser concerned are motivated.

Before initiating the advisory process there will always be some measure of motivation in the parties, as otherwise there would be no advisory process at all. The advisory services can then either enhance or lessen the motivation in both the farmer and the adviser during the process. One way of enhancing the motivation would be to be able to document that the advisory service has a practical value.

In order for the practical value of the advisory service to be documented and hence have a motivating impact, one or more goals have to be defined for the advisory service.

A documented practical value would also enhance the motivation to further develop qualifications. This primarily applies to the development of the qualifications of the advisers but also of the farmers. When an adviser can see that the advisory services provided (either by the adviser personally or by a colleague) have a practical value, the adviser will be motivated to change his advisory behaviour and hence develop his advisory qualifications.

Re. 2

Since one of the most important arguments in favour of selling a particular advisory service is that it works, documenting the practical value of the advisory services is a good sales pitch. In particular when there is a desire to sell more of an existing service or to develop new business areas.

Likewise developers of advisory tools and researchers take an interest in substantiating that their tools and knowledge have a value through the documentation of the practical value.

Follow-up levels

Documenting the practical value of a specific advisory service can be a 4-level process, below called follow-up levels.

These follow-up levels are defined based on the levels involved in implementing knowledge. In "Cattle Production 2010", knowledge is implemented at the following four levels:

Centre – Adviser – Farm – Action

Documenting the practical value follows the same levels only in reverse order:

Action – Farm – Adviser – Centre

The methods chosen to document the practical value is linked to the various follow-up levels.

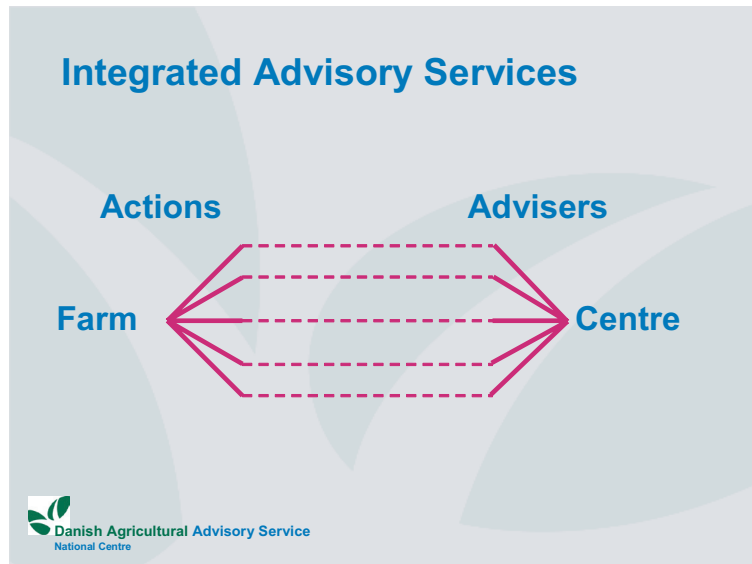


Figure 1. Correlation between follow-up levels.

Figure 1 illustrates the correlation between the various follow-up levels. A farm (or a farmer) describes the activities of the farm through a series of actions. As individuals, advisers look at the actions of the farm, whereas the centre (or a team of advisers) addresses the farm from a general point of view.

Action plans and follow-up

For this project we have developed a form that is used to contain what the farmer and the adviser have agreed on in relation to the goals and contents for a specific advisory process.

What is follow-up?

Follow-up is a conscious act performed by the adviser to determine whether or not a specific activity has been completed. The person that is to perform the activity can be the farmer as well as other advisers (including the adviser doing the follow-up).

Why do follow-ups?

To a farmer an action plan has no value until the farmer or others follow the measures specified in the action plan and with that fulfil the goals of the action plan. To safeguard that these measures are followed the adviser has to follow up on them.

As a another benefit resulting from following up on the measures of an action plan, the adviser is given an opportunity to assess whether the farmer (or others) is motivated to carry out the measures and whether the measures produce the expected results compared with the goals set out in the action plan.

Action plans developed under "Cattle Production 2010" have a written scope, i.e. to contain what has been agreed upon, but they also have an action-related scope, i.e. to describe measures and goals. It is required in these action plans that measures and goals should have deadlines and be measurable. And that measures and goals should be realistic. The adviser developing the

action plan will assess this. Furthermore, it is assumed that the correlation between a measure and the set goal is simple. Consequently, if the measures are followed there is a significant likelihood that the set goals will be met.

An action plan under “Integrated Advisory Services” contains the same elements as the action plans that underlie much of the advisory services already offered. Often these action plans are not described in writing, however, and they only include a few measures and more or less clearly defined goals.

In the “Integrated Advisory Services” project the requirements to action plans and the subsequent follow-up is more stringent “in relation to reality”. The reason for this is a desire to apply a more systematic approach and a clearer structure to the advisory services. This should increase the awareness of both farmer and advisor of the results and of the practical value of the advisory services.

How to perform the follow-up?

The follow-up of an action plan follows the milestones of the various activities of the action plan.

In connection with the development of the action plan the parties agree on the follow-up process. This ensures acceptance of the follow-up. It applies to both follow-up on the activities to be performed by the farmer and the activities to be performed by other advisers.

The follow-up on activities performed by the farmer must form an integral part of the advisory activities in which the farmer is already involved.

What are the consequences of the follow-up?

If the follow-up of an activity reveals that this activity has not been performed, this leaves the adviser doing the follow-up with a couple of choices. If it is still relevant to perform the activity, another deadline is set. If the activity is no longer relevant, however, or the person to perform it is no longer motivated, the action plan must be revised in terms of goals and measures.

Figure 2 illustrate another perspective of the consequences of the follow-up. On a certain time the advisor should ask himself and the farmer the following questions: “Has the goal for the advisory services been achieved?” and “Has the farmer been following the measures?” If the answers of these two questions are “no-no” or “yes-yes” it is a pretty clean situation. Either has the farmer not been following the measures and not achieved the goal or the farmer has been following the measures and has achieved the goal. The two other situations, where the answers are “no-yes” or “yes-no” it is much more complicated. In both cases the advisory services has not been good enough.

What could obstruct follow-up?

As already mentioned it is essential that the follow-up is an integral part of the advisory service. This means that the follow-up process will not lead to additional difficulties, invoicing will be simple and it will encourage motivation.

Major sources of obstruction against the following-up of an action plan are:

- No deadlines for measures and goals.
- Ambiguous measures and goals.
- If the adviser doing the follow-up has no natural “access” to the farmer, e.g. in connec-

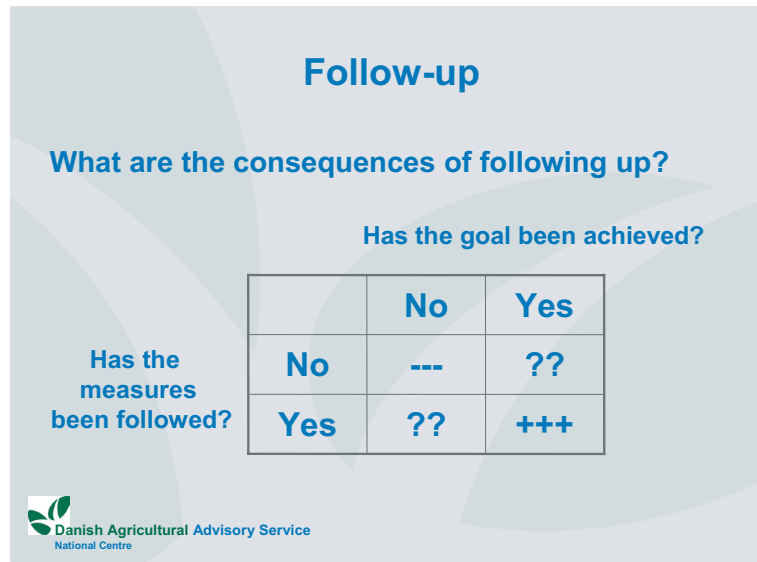


Figure 2. What are the consequences of following up on the advisory services?

tion with an ongoing advisory process.

- If the adviser doing the follow-up has no formal and factual competencies qualifying him/her to follow-up vis-à-vis other advisers.
- The advisor is unable to form a general view of the activities that he/she is responsible for performing.