



Rabobank

*Media release
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Leading farm business management program calls for 2014 applications

Applications for this year's Rabobank's prestigious **Executive Development Program** are officially open. The program – which gives leading farmers from across Australia and New Zealand the opportunity to enhance their business management skills and take their enterprises forward – is open for applications for its 2014 course, commencing in August.

Announcing the opening of applications for the 2014 program, Rabobank CEO New Zealand Ben Russell said farm management had evolved to become much more commercially focused than in the past, making it necessary for producers to think more strategically about how they run their operations.

"Today, farmers are becoming more commercial in their business management – primary producers have to think more strategically, manage many risks and develop their people skills and capability – and a big part of that evolution is investing in themselves in order to benefit their business," Mr Russell said.

"The core of the Executive Development Program is to focus on the commercial and strategic factors that farmers face today. They're getting bigger, more commercial, business-focused, with more employees working for them than ever before."

The program, run in two separate modules over the course of one full year introduces participants to the latest practices in business management, leadership, strategy, finance, human resources, value chain management and marketing, and how these can be directly applied to their farm businesses.

"The reality is running an agricultural enterprise is extremely complex, no matter the sector. We need to recognise that across the agricultural industry," Mr Russell said.

"We will continue to invest in the knowledge of our clients – a vital component of business success – and provide them with access to the latest management tools to assist in making informed business decisions."

Cambridge-based dairy farmer, Hilary Webber, completed Rabobank's Executive Development Program. Hilary is a partner and director of a family-owned farming business, 'River Downs', in Gore and 'Lismore Downs' in Ranfurly, Central Otago. River Downs comprises of 382 hectares of dairying land, milking 1050 cows and Lismore Downs comprises of 479 hectares for cropping and silage required for winter grazing 2500 cows.

The program, run in two separate modules over the course of one full year, covers all aspects of rural enterprise management to help drive sustainable business growth, including strategic goal setting, negotiating and people management.

"We have been in the dairy farming industry for a long time," Hilary said.



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“We didn’t have any formal clarity to take ourselves forward. After doing the Executive Development Program, we had a better, structured plan.

“We start thinking about our goals early in the calendar year, and once we have a pretty good idea of what the payout is, and our financial position, we sit down and review our strategic plan with the farm governance board.”

Hilary said it’s a “flexible process” but one that is integral to the running of their enterprise.

“When I attended Executive Development Program, I completed a 12-month plan and a long term strategic plan,” Hilary said.

“Many things emerged from that process. Firstly, our long term plan for our dairy grazing block in Central Otago is to convert it into a dairy farm, and that is taking place in stages.

“This is however, dependent upon a positive outcome from the feasibility study of the Manuherekia water scheme and we will know in 2014 if this is going ahead or not.

In the medium-term, Hilary said she and her husband Colin have set a strategic goal to achieve a minimum of \$4000 operating profit per hectare on their Gore dairy farm (net of sharemilker payouts).

“We set that goal as a result of a lot of analysing of our profitability and productivity using Dairy Base as a benchmarking tool,” she said.

“Through this benchmarking process, we clearly identified what we need to do to achieve that goal. Increased profitability on the dairy farm ensures our right to grow our business and invest in our Central Otago property where we are putting in a dam and centre pivot which will involve quite a significant capital outlay.

“This is essential infrastructure for the dairy farm if we convert – but if we don’t, it will still help to drought-proof the property. We’re investing in that infrastructure to support either option to benefit the property and meet our end goal of increasing our productivity and profitability on our landholding.”

Additionally, after undertaking the Executive Development Program, Hilary identified the need to introduce new technology for feeding their dairy cows.

“We saw the need to use better technology in our dairy shed that would help us more effectively – and efficiently – feed grain to certain groups of cows, which will be more productive long-term,” she said.

“Protrack will also give us more information about production. And this all links into our goal in our strategic plan to increase profitability.



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Hilary and her husband, Colin, are also implementing a succession plan which will allow them to integrate their children and grandchildren into the farm enterprise in the future. Their son Glen is now managing the Central Otago property.

“Going through the succession planning process that we learnt about in the Rabobank program, we have taken a look at our location and opportunities to make sure we are in the right place to bring the next generation of the family into the business where they can learn from us and eventually take it on,” Hilary said.

“We want to use the profits from our enterprise to set something up for our grandchildren. Part of this plan has resulted in setting up an education fund which will support the grandchildren – we want to give them the gift of education – but to do that, we needed a plan and steps to get us to that end goal.”

Applications for Rabobank’s 2014 Executive Development Program are open until Friday 30 May 2014, with applicants accepted from across a range of commodities and geographical locations in Australia and New Zealand. Held in Sydney, the first module runs from 17 to 22 August 2014, with the second module taking place in July of next year.

Producers interested in an application form or any further information on the Rabobank Executive Development Program should visit www.rabobank.co.nz/bmp or contact Rabobank Business Programs manager Nerida Sweetapple on +61 2 8115 4139 or email nerida.sweetapple@rabobank.com.

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Rabobank New Zealand is a part of the international Rabobank Group, the world’s leading specialist in food and agribusiness banking. Rabobank has more than 110 years’ experience providing customised banking and finance solutions to businesses involved in all aspects of food and agribusiness. Rabobank is structured as a cooperative operates in 42 countries, servicing the needs of approximately 10 million clients worldwide through a network of more than 1600 offices and branches. Rabobank New Zealand is one of the country’s leading rural lenders and a significant provider of business and corporate banking and financial services to the New Zealand food and agribusiness sector. The bank has 32 branches throughout New Zealand.

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