

An Advisory Team Approach to Your Farm Management

Lisa A. Holden

Penn State University, Department of Animal Science, 324 Henning Building,
University Park, PA 16802
Email: lah7@psu.edu

■ Take Home Messages

- Advisory teams are a useful management tool for improving productivity and profitability in your dairy operation. Successful teams have helped dairy businesses to improve milk yield and quality, efficiency of workforce and income over feed costs or return on assets.
- Advisory teams generally will consist of those farm advisors (veterinarian, nutritionist, accountant, lender, extension educator) that you work with on a regular basis, but may include non-farm or non-agricultural members as well as other dairy producers.
- Advisory teams work best with a clear, common purpose, well defined expectations and an organized and structured approach.

■ What is a Dairy Advisory Team (DAT)?

Merriam-Webster's dictionary defines team as "a group of people who work together." The origins of the word team come from the Middle English *teme* meaning a group of draft animals used for pulling. A "dairy advisory team" is just the same – a group of people, in this case those advisors that typically work one-on-one with a dairy producer – working (or pulling) together to accomplish a common purpose. The DAT meets on a regular basis with common goals and objectives to improve the decision-making and overall position of the farm. Generally the DAT is helped along by a facilitator or coordinator that is not the dairy producer. The DAT can be from four to as many as 14 or so people depending on the size of the operation, number of family members involved or the overall purpose. The most common size for a DAT is 6-8 people. Variations of the original DAT may be dairy profit teams (teams focused on improving on-farm profitability), succession teams (teams focused on the transfer or management and the business to the next generation or non-family successor) and diagnostic or target teams (teams

focused on a particular area of the dairy like milk quality or reproductive management). The most typical composition of a DAT is key members of the farm family, key middle managers in larger operations, the veterinarian, nutritionist, banker and/or accountant as the core. Some teams elect to have other advisors like extension educators, sales and service providers or even other dairy producers be a part of the DAT. The DAT should fit with the needs and goals of the dairy operation.

The concept of a DAT is not new. Peters et al. (1994) promoted an interdisciplinary extension advisory team, and Weinland and Conlin (2003) documented positive results from dairy diagnostic teams. Penn State faculty and staff have worked with a dairy advisory team program since 1996. We have trained, facilitated and worked with nearly 1,000 dairy teams in five states in the United States as well as several countries internationally. Early work (Heald, et al. 2002) showed positive impacts of dairy advisory teams on key aspects of the dairy operation. Targeted areas of milk quality and feeding management resulted in lowering of somatic cell counts, reduction in feed costs and economic improvements at the farm level. Hilty et al. (2008) showed additional economic advantages to use of dairy advisory teams with follow up programs focused on improving business management.

■ Why use a Dairy Advisory Team?

Dairy farm businesses are complex entities with many different facets within a single operation. Forages and cropping enterprises impact the feeding and production levels of young stock and milking animals. Reproduction and animal health have either positive or negative effects on levels of milk yield, cow longevity and overall productivity. All of the pieces with the whole dairy farm system are interlinked, and all have an impact on the overall profitability of the operation. While dairy owners and managers must have knowledge of and be able to manage each of the parts of the whole dairy farm system, technical advisors can provide new ideas, constructive suggestions and advice to help producers to optimize performance. Inefficiencies and struggles arise when that advice is conflicting or no clear priorities for change or improvements are identified.

Dairy producers are faced with contradictory advice from experts and are forced to interpret information and make decisions without the benefit of all those advisors together. For example, a crop and forage advisor may be focused on maximizing yields and creating a chop length for forages that packs well in a bunker silo to result in ideal quality silage. While this goal taken by itself is good, it does not fully integrate with the feeding program that may benefit from a slightly longer particle size in forage length due to limitations in mixer wagons or feed handling. It also does not take into account past health concerns about rumen acidosis or the lower butterfat in milk and the impact on the milk check. Coming together as a team allows the

dairy producer to hear all the information together at one time, have various advisors understand the overall goals and limitations, and finally helps everyone work together toward a common goal in the end. A good DAT can make everyone more productive and efficient, saving both time and money.

■ How Do You Get Started With A Dairy Advisory Team?

While every DAT may be a little different, there are some common steps to consider when getting started. Here are some step-by-step instructions for starting your own DAT.

Step 1. Develop a Long-term Vision

While many dairies may form a DAT to focus on an immediate issue facing the dairy, often the DAT will move from this more tactical (immediate) focus to a more long-term or strategic focus over time. It is a good idea when starting your DAT to look beyond the immediate and have some idea about what the longer term vision is for your operation. For example:

- ▶ Will a son or daughter be entering into the operation following school?
- ▶ Is time in the industry limited (plan to retire/sell in X number of years)?
- ▶ Are you interested in expanding and making major investments?
- ▶ Are you interested in diversifying? Creating a satellite operation? Scaling back?

Having those discussions as a farm family or with the dairy partners and owners can help to determine who should be on your DAT and what your long-term vision looks like.

Step 2. Choose a Facilitator (Coordinator) and Team Members

Every team needs a leader. In the case of the DAT, this is the facilitator or coordinator. This leader should not be a dairy owner or family member. The DAT provides *advice*; the dairy farm owners elect to use or not use that advice and are the final decision makers. Dairy producers run the business; facilitators run the DAT. In this way, the DAT can be most useful for the business. Dairy producers need to focus on their business, and let a trusted advisor focus on helping them make optimal use of their DAT. Facilitators work with the dairy owners to set the priorities and agenda for the team, but allow the facilitator run team meetings and oversee communication – freeing the dairy producer to use the information and advice.

Anyone can learn to be a good facilitator, but some people have more skill than others with facilitation. A facilitator job description is included later in this paper. When starting your DAT, you should identify one of your current farm advisers that you work well with, that has good organizational skills, and that you feel will be able to keep the team focused and moving forward. Good facilitation takes extra time, so make your advisor aware of the expectations. Some teams have utilized a local non-agricultural business person as a facilitator for their team. What they may lack in dairy knowledge they can more than make up for in overall business knowledge; bringing in an outside perspective that can be valuable. Work with your facilitator to outline the focus of the team and identify potential team members.

Review your list of potential team members to determine who would make good team members and who might work better as independent advisors. Discuss your ideas with prospective team members. Ask if they feel they could contribute to the process for the next year. Ask if and how much they would charge for the time spent working on the team. Keep in mind that you may replace any member of the team if he or she is not committed to the team.

Step 3. Set the Agenda

Set the agenda for the initial meeting. Plan time to introduce people and begin to build trust and respect among the team members. Plan a walking tour of key facilities and provide summary background information. Start the process by asking team members to develop an analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT). You may want to have team members do this ahead of time and come prepared to discuss them. Develop a set of ground rules that the team will follow, write them down and make certain that everyone understands what is expected. Having a good set of ground rules established up front will prevent problems later on as the DAT starts to work together. Ground rules may include things like:

- ▶ All DAT data and discussions are confidential
- ▶ All DAT meetings will start and end on time.
- ▶ No one team member should dominate the conversation.

Step 4. Set the Time, Date and Location

Many times meetings are scheduled on a day and time when some of the advisors may already be visiting the farm or in the area. It is important to set a start time and an ending time for the meeting, so that everyone can plan accordingly. New teams should meet on a regular basis, usually monthly, until well established. After the initial few months and depending on the team goals, some teams decide to meet less frequently (bi-monthly, quarterly).

Setting a regular meeting time and planning meetings out for the next 6-12 months can help all team members make a commitment to the team. Many teams choose to meet in a quiet place on the farm (conference room, office, etc), but some choose to meet off the farm at a restaurant or office of an advisor. Whatever the place, it should be free from distractions and have enough room to be comfortable for all team members. Meeting on the farm allows for accessing data if needed, meeting off the farm minimizes interruptions from workers.

Step 5. Pre-Meeting Planning

Before the first team meeting you may want to complete a business analysis with Strengths, Weaknesses, Opportunities and Threats (SWOT). Sharing the expectations of the farm family and each of the team members can help to get everyone “on the same page.” Providing some history, especially for team members that may not be as familiar with the business is a good idea for the first meeting.

Step 6. Conduct Your First Meeting

The first meeting is a good time to walk through key areas of the dairy so that everyone understands all aspects of the business. Providing team members with some key information and asking each team member to complete a SWOT analysis to share often means that the first meeting will take longer than subsequent meetings. The first meeting is likely to be about an hour and a half to two hours, but after that meetings should be kept to a short (between 45 and 90 minutes) time that is agreed to by all team members.

It is important that a record of meetings is kept and shared as well as action steps (what is to be done, who is responsible and what is the timeframe). These notes do not necessarily need to be formal “meeting minutes” but rather may be short bulleted notes that follow the written agenda along with the completed action steps. Having some meeting notes and a copy of the action steps allow each team member to complete tasks between meetings, keep track of progress and come to the next meeting more prepared. The facilitator is generally responsible for putting together an agenda (in consultation with farm owners) and circulating the meeting notes following each meeting.

All team meetings need to have some structure in order for team members to be most productive and for teams to be able to make progress. Team meetings with a strong structure include the following attributes:

Written agenda that is shared ahead of time so that everyone walks in to the meeting prepared to work

Tracking system of brief meeting notes with important points along with an action plan for tasks to be accomplished

Circulating those notes and action plan within 48 hours of the meeting and then again a week prior to the next meeting serves as cues or reminders for team members as they prepare for the meeting.

Periodic progress checks can help to see if your structure is working or some changes need to be made to repair any cracks that may have developed along the way. A short half page evaluation with two questions -(1) What did we do well today? and (2) What can we do better next time? - will provide good feedback for improving the team meetings.

■ What does the Facilitator do for the Team?

Dairy Advisory Team Facilitator – A Basic Job Description

The facilitator has one of the key roles on any team. Generally, the facilitator should not be someone who is directly involved in the dairy business, but rather can be an off-farm advisor or associate. In many teams, the facilitator may also have a direct advisory role (nutritionist, lender, veterinarian, etc) and so must serve dual roles as both team member and facilitator. Some teams elect to use a facilitator that has no direct connect to the farm such as a local business or community leader, retired business executive, or other non-agricultural professional. Some situations do benefit from a trained facilitator that has no farm expertise but is present simply to manage the team process effectively.

Characteristics of a Good Facilitator

The following are characteristics of a good coordinator:

- A great problem solver - Problem solving is the heart of the team's purpose. It is helpful if the team coordinator is competent in the more formalized process of problem solving.
- Enthusiastic - Enthusiasm is infectious and spreads through the team, increasing the energy level and creativity.
- Has a "can do" attitude.
- Has excellent organizational skills.
- Is a good communicator - Must be able to understand what others are saying by actively listening in addition to being able to express themselves well.

- ▶ Is an active learner.
- ▶ Manages a meeting well.
- ▶ Works well with people.
- ▶ Is interested in learning more about teams, team dynamics and facilitation.

Duties in the Team Meeting

- ▶ Make certain that all members contribute to the team.
- ▶ Aid the team in good communication practices.
- ▶ Manage the meeting and the team process.
- ▶ Ensure timeliness of meetings and adherence to agenda.
- ▶ Enforce the team's ground rules.
- ▶ Take brief notes and develop an action or "to do" list.

Note: Some facilitators prefer to assign some tasks to other team members (example: Keep time for meeting, etc.)

Duties Outside the Team Meeting

- ▶ Circulate a brief set of notes along with the action or to do list within 48 hours of the team meeting.
- ▶ Work with the dairy owner to develop and communicate the agenda for each meeting.
- ▶ Monitor progress of team members on tasks in between meetings (can be simply email reminders).
- ▶ Track key farm information and work with the dairy to determine if team meetings need to be adjusted.
- ▶ Solicit feedback on team performance.
- ▶ Monitor progress of the team.

■ What are the benefits of using a Dairy Advisory Team?

Using a DAT has multiple benefits including better communication among key members of the dairy and its dairy advisors, better decision-making, and more productive and profitable dairy farm businesses. By bringing together all of a farm's resources for advice, dairy producers can learn more about interactions among various parts of the operation and use their time more

wisely in making high quality decisions. Often dairies that use a DAT anticipate problems sooner than those farms without a DAT, making the corrective actions needed more timely. Enhance communication, great decisions, more timely action, and real changes in production and profit are just a few of the reasons to give a dairy advisory team a try for your operation.

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