



final report

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1. Introduction from Advisory Committee Chair

It has been a pleasure to serve as the Chairperson for this great program. I have met with many producers across the state at various meetings and events that I have attended. It is wonderful to hear from them about the great work the coordinators are doing with their groups, and to here how they appreciate what the program is delivering to them.

At the beginning of this funding round the road was rocky with the introduction of a fee structure for members of groups. However, with a dedicated team to show value to the members confidence has increased and new groups have been forming and enjoying the learnings that comes with being involved with like minded people.

BESTWOOL/BESTLAMB has now been running for 10 years and has established itself as the most successful network in Victoria to disseminated research and development for AWI, MLA and DPI. Continued evaluation of the program has shown members have increased their skills and knowledge and have changed how they do things on farm. They have appreciated the support from fellow members during the drought years and have been able to access relevant information to help with difficult decisions.

I appreciate the hard work that has gone into making this program the best in the state and congratulate the management staff, coordinators and the Advisory Committee whose enthusiasm has enabled them to tackle issues with an open mind and generous heart.

Jamie Ramage

Chair, BESTWOOL/BESTLAMB

2. Executive Summary

BESTWOOL/BESTLAMB (BWBL) is a long standing sheep industry extension project, which has been running for ten years. The aim of BWBL is to improve the productivity and profitability of producers as well as fostering positive environmental and social outcomes. It was established in 1998 after findings from the Victorian Wool Industry Review showed there was a need for a major extension project to assist Victorian wool producers. BWBL has been funded for the past three years by Victorian Department of Primary Industries, Australian Wool Innovation and Meat & Livestock Australia. An active Advisory Committee made up of producers and the funding organisations oversee the strategic direction of the program providing insight into sheep producer issues and ensuring the relevance of the program.

BWBL delivers information to producers through self directed discussion groups, using a paid coordinator from either DPI or private consultants. Evaluations of the program have shown that the professional coordination of these groups is a key to the success of the BWBL. BWBL also involves an associate membership for sheep producers who do not wish to participate in group activities. These members, along with group members receive regular updates through the fortnightly email "Newsflash", the bimonthly Newsletter and monthly feature articles in the Stock & Land. Regular phone seminars and regional forums are conducted for members and non members covering topical issues for the sheep industry. Throughout the past three years BWBL has utilised new and evolving technology to communicate and engage producers.

The BWBL network has continued to grow over the three year period. The network has grown from 28 groups to 40 groups and as of the end of June 2008 consisted of 556 group members and 433 associate members. An evaluation conducted by Hassall and Associates has demonstrated that the BWBL project has achieved the aims of the project. BWBL is enabling groups to function well and to access technologies that were highly suitable to members' enterprises.

Overall there has been an improvement in member knowledge, skills, confidence, aspirations and practices with 96% of respondents indicating they had gained new knowledge, 73% had used the information to improve their farm practices, 68% think more about planning for the future, and 65% were more confident about facing future challenges; and as a result about 45% of members felt their involvement in BWBL had led to on-farm production increases, while 33% felt farm profitability had increased. Natural resource management (NRM) had also improved however, members considered that productivity/profitability were their main goals. Almost 90% of members attributed a social benefit to BWBL, nominating networking opportunities to assess different technologies as most important. Members also considered that BWBL had benefits of a personal nature, including improvements in self-confidence and improvements in mental health during difficult times.

Practice change is the result of a complex interaction between physical, financial and social factors which are influenced by a range of external influences often beyond the direct control of individual producers – economic and market conditions; government policies, legislation, programs and priorities; public pressures; environmental and climatic conditions. BWBL provides the ideal environment for producers to explore the modifications required to allow their business to change to meet the requirements of these ever changing external influences.

A number of recommendations have been included in the proposed continuation of BWBL including a revised membership fee structure, an improved marketing plan, web page development and an improved method for capturing quantitative and qualitative outcomes.

3. Project Background

BESTWOOL/BESTLAMB is an industry extension project that developed out of an initial project called BESTWOOL 2010 (BW 2010). BW 2010 was established in 1998 after findings from the Victorian Wool Industry Review showed there was a need for a major extension project to assist Victorian wool producers lift their on-farm productivity and profitability, as well as fostering positive environmental and social outcomes.

The approach included adult learning concepts, group learning situations, teaching specialists and professional coordination. Producer driven groups were formed in collaboration with the Department of Primary Industries (DPI) and the Victorian Farmers Federation (VFF).

In 2002 Australian Wool Innovation (AWI) became a major stakeholder of the BW 2010 project. In 2004, the Grains Research & Development Corporation (GRDC) funded BW 2010 as it was recognised that most cropping enterprises included sheep within the farming program, and that improvements in the sheep enterprise would lift overall business performance. In 2005 the program expanded when Meat & Livestock Australia (MLA) provided funding for the establishment of producer groups with a focus on lamb production. The name of the program was changed to BESTWOOL/ BESTLAMB (BWBL) to accommodate the broader range of producers. During this phase member fees were also introduced and resulted in changes to the program and participation levels.

4. Project Aims

The primary purpose of the BESTWOOL/BESTLAMB project is to:

"To assist Victorian wool/lamb producers lift their on-farm productivity and profitability, as well as fostering environmental and social outcomes."

The project aimed to:

- Help create conditions for better productivity and profitability for members;
- Foster positive social and environmental outcomes;
- Increase sheep farmers' self confidence and self reliance;
- Disseminate valuable information and share best practices in order to inspire the pursuit of excellence amongst all sheep farmers;
- Contribute to the long-term viability of wool growing and other livestock practices; and
- Respond positively to changing community attitudes as they relate to sheep farming practices.

5. Delivery Methods

The primary delivery method of the BWBL program is through self directed groups, using a paid coordinator from either DPI or private consultants. Groups determine the number of times they meet which ranges from four to twelve times per year, with most meeting six times. Activities have been listed in the six monthly milestone reports and the target of 160 activities per year has been easily achieved.

BWBL also involves an associate membership for sheep producers who do not wish to participate in group activities.

These members, along with group members receive regular updates through the fortnightly "Newsflash", the bimonthly Newsletter and monthly feature articles in the Stock & Land.

Phone seminars have been an innovative way of engaging a wide audience in a very short time frame to cover issues which need to be addressed quickly. BWBL phone seminars are open to anyone to participate are another method to promote the BWBL program. Six phone seminars are run per year with 722 participants over the three year period easily exceeding the target of 200.

Regional forums were run during the first two years of the funding period with 723 participants at these events (events listed in milestone reports). Seasonal conditions were again placing many businesses under pressure and it was decided that BWBL needed to provide a workshop which focused on strategic planning for the farm business. The Front Foot Farming workshops were developed and delivered during the last twelve months replacing the regional forums. Ten Front Foot Farming workshops were delivered to BWBL groups with 117 participants.

In May 2008 BWBL delivered the first major Updates Conference. The conference was designed to provide information on the big issues facing the sheep industry along with other relevant research findings. The conference was highly successful with 148 participants and very positive feedback as highlighted in the attached conference evaluation report.

Two coordinator conferences and quarterly Advisory Committee meetings are held each year as outlined in the milestone reports. Coordinator conferences aim to provide training to increase their skills and knowledge. Conferences also provide interaction opportunities to share information and experiences.

The role of the Advisory Committee is to provide strategic direction to the program.

6. Measuring Success

Success of the BWBL project will be measured against the targeted project outcomes and the achievement criteria as documented in the project proposal and listed in the table below. Hassall and Associates put in the successful tender to evaluate the past three years of BWBL.

PROJECT OUTCOMES

| Outcomes | | Achievement Criteria |
|-----------------------|---|--|
| Target Groups: | Farmer discussion groups across sheep producing regions of Victoria. Non group joining sheep farmers. | 40 active discussion groups adopting improved production and management practices. 800 non-group-joining sheep |
| | | farmers accessing information on improved practices. |
| Outputs: | Discussion groups actively conducting training and adoption. | 1. 160 group activities conducted per year. |
| | Four regional farmer forums. | 2. 160 farmers attending forums and planning change each year. |
| | 3. Six phone seminars. | 3. 200 farmers calling in to "Talk to the Experts" phone seminars |
| | Farm adviser network provided with technical updates | Farm advisers in Victoria who are highly competent at influencing sheep farmers. |
| Immediate Outcome: | Group members' knowledge, aspirations and skills raised. Non group members' knowledge levels raised. Farmer Network development | Measured levels of change in knowledge, aspirations and skills. Measured changes in knowledge. The network of sheep farmers is expanded. |
| Intermediate Outcome: | Validation and adaptation of improved practices. | Sheep farmers are confident in their ability to seek new information and make informed decisions. |
| Final Outcome: | Sheep farmers achieving practice change | 40% of group members demonstrating major practice change in their farm management. |

7. Results

The BWBL network has continued to grow over the three year period. The target groups and outputs criteria as in the table above have all been achieved and demonstrated in the milestone reports. The network has grown from 28 groups to 40 groups and as of the end of June 2008 consisted of 556 group members and 433 associate members.

Hassall and Associates evaluation demonstrated that the BWBL Project has achieved the above project outcomes. The following is a summary of the results of the evaluation.

BWBL is enabling groups to function well and to access technologies that were highly suitable to members' enterprises. The survey and interview data also suggested that technologies are being presented in ways that are easy for members to understand. Although these attributes are necessary conditions for the adoption of technologies on farm they do not automatically lead to improved adoption.

The evaluation report found that members and coordinators consider that the project has lead to a range of beneficial productivity/profitability, Natural Resource Management (NRM) and social outcomes including:

- improvement in member knowledge, skills, confidence, aspirations and practices with 96% of respondents indicating they had gained new knowledge, 73% had used the information to improve their farm practices, 68% think more about planning for the future, and 65% were more confident about facing future challenges;
- as a result about 45% of members felt their involvement in BWBL had led to on-farm production increases, while 33% felt farm profitability had increased;
- natural resource management (NRM) had also improved, with use of stock containment areas during drought being highly rated. However, members considered that productivity/profitability were their main goals;
- almost 90% of members attributed a social benefit to BWBL, nominating networking opportunities to assess different technologies as most important. Members also considered that BWBL had benefits of a personal nature, including improvements in self-confidence and improvements in mental health during difficult times.

IMPROVED PRODUCTIVITY AND PROFITABILITY OUTCOMES

On-farm adoption of improved technologies

Figure 11 shows the management technologies that have been implemented by members on their farms. The results demonstrate a high level of implementation of the majority of listed technologies, and also the importance of the group in the implementation process. More than half of the BWBL members adopted improved technologies on their farms following group involvement in the technology.

Sheep feeding/nutrition 49 Drought management Improved pasture production 22 Grazina management/systems 22 Group involved in & implemented Sheep reproduction & lambing management ■ Implemented on Sheep health & diseases 15 ■ Group involved in Genetics & breeding Animal welfare 0 10 50 20 30 40 60 No. of respondents

Figure 1: Member survey - improved technologies adopted on-farm attributable to BWBL.

Most of the technologies implemented were related to sheep feeding/nutrition and drought management. This result is not surprising given the prevailing drought conditions across Victoria in recent years.

BWBL members were asked to identify the most important productivity benefit they felt they had gained through their involvement in the BWBL project. Figure 2 shows the most important technology related to pasture management. However, the non-technology response 'support from members' was identified as the greatest benefit.

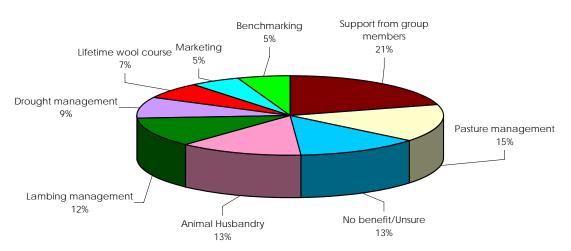


Figure 2: Summary of the productivity / profitability benefits.

Coordinators also considered that members had adopted technologies as a result of BWBL involvement, with improvement in drought management technology being the most important as demonstrated in Figure 3.

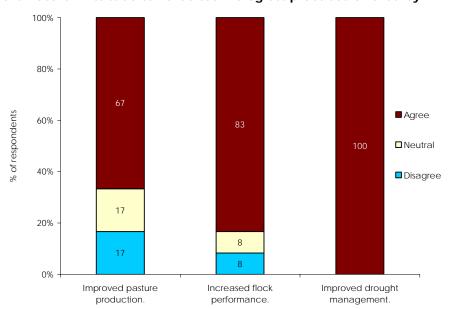


Figure 3: Coordinators - Attitude towards technologies/practices offered by BWBL.

On-farm adoption of technologies for improved productivity/profitability

When asked about the skills they gained by being involved in BWBL, members listed a range of technologies for improving productivity and profitability.

All of the members interviewed felt that they had increased their knowledge and skills in sheep production, marketing and farm management as a result of the BWBL project. A number of members described their gain in knowledge as greater than expected – e.g. 'pick up good things at most activities'. Members gain knowledge and awareness of what

other members are doing as well as from guest speakers. The knowledge is then taken home where the member determines what is suitable for their situation.

During phone interviews, members were asked about the importance of improving profit when considering the introduction of new technologies. In all cases the profit or productivity motive was the major consideration in adopting a new technology on farm. Productivity was viewed as technology that 'makes the job easier' or is a more efficient use of time and labour.

Improved business and marketing skills

An important requirement for successful businesses is the need to ensure that any production or productivity gains are captured in improved profitability. The members' survey responses indicated a relatively high level of group involvement in benchmarking and enterprise analysis, and implementation on farm. Thirty three percent of member respondents have been involved in marketing of wool and lambs and have implemented these skills on their farm in the last three years.

A majority of the BWBL coordinators surveyed (67%) agree that their members had improved their marketing of wool and/or lamb since participating in the BWBL project. Thirty six percent of coordinators feel that their members have decreased their costs of productions as a result of the project.

Figure 4 shows that 45% of members surveyed felt that their involvement in the BWBL project increased productivity on their farm 14% of members reporting an increase of between 10 and 15%. Fifty five percent of members were either unsure or indicated no improvement in productivity. Drought conditions may have contributed to this latter response.

Figure 4: Level of improvement in productivity.

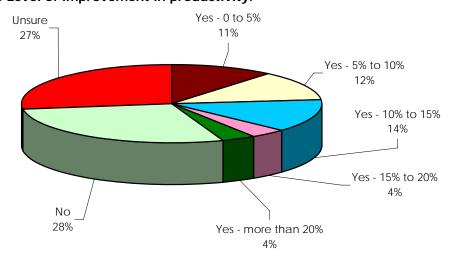
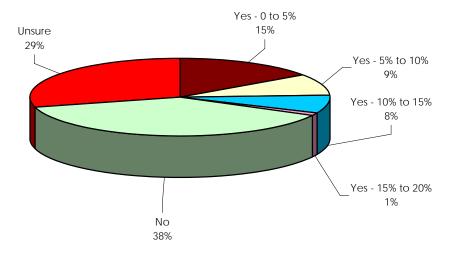


Figure 5 shows the level of improvement in profitability by members attributable to BWBL, with 33% indicating improvements. The largest percentage increase was from 0% to 5%, reported by 15% of members. A total of 67% percent of members were unsure or considered there had been no increase in profitability. Of these, many felt that this was not related directly to the project but rather the unseasonably dry conditions over the last three years.

Figure 5: Level of improvement in profitability.



Improved business and marketing skills

Members felt that their participation in BWBL enabled them to react to issues in a more timely manner to improve their enterprise productivity, and that this occurred due to networking. They made on-farm changes by seeing how and what other producers were doing. Examples included sourcing of drought fodder and preparedness for flystrike risk. Also, information on lowering the costs of production, particularly in times of drought, was very important to improving profitability.

Some interviewees considered there was a range in the proactive and innovative nature of members, and that the impact of the loss of the BWBL program would be most severe on those that were less proactive. The productivity and profitability gains of the less proactive members are achieved through group interaction.

Other producers spoke about advice and/or changes they would not have made if they had not participated in their local BWBL group (e.g. accessing key agricultural advisers, getting through the drought well, access to specific advice, feeding practices for premium lamb and getting to know other farmers in their region). One producer felt that even learning 'only one' idea in a given year made having the BWBL group worthwhile from a profitability perspective.

IMPROVED NATURAL RESOURCE MANAGEMENT (NRM) OUTCOMES

Adoption of technologies that preserve/enhance natural resource conditions

Figure 6 shows NRM practice changes that member respondents attributed to their involvement in BWBL. Establishment of stock containment areas was the most significant. The focus groups identified increased groundcover, decreased soil erosion, increased pasture recovery and protection of hill country as the major benefits of stock containment areas. Soil conservation and revegetation activities were also actively implemented as a result of BWBL activities. Knowledge of resource conditions and climate change were activities with the least involvement.

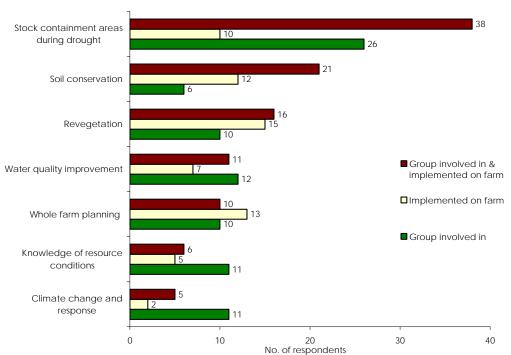


Figure 6: NRM practice change attributable to BWBL.

More than half of the members surveyed (55%) felt that they were better able to manage natural resources on their farm because of their involvement with BWBL, with the remainder stating they were unsure or there was no improvement.

Members provided the following examples of improved natural resource management attributable to BWBL activities:

- value of shelter belts and soil management;
- thinking outside the circle;
- soil conservation from stock contained areas;
- importance of fertiliser application;
- better pasture management using ground cover for guidance;
- better management of pasture, water and shelter;
- · direct drilling of permanent pasture leading to less wind erosion; and
- improved soil knowledge.

Of the BWBL coordinators surveyed, more than half (58%) agreed that their members had improved their on farm natural resource management practices since participating in the BWBL project. This result is consistent with the 25% of coordinators reporting that their members have developed whole farm planning approaches as a result of the BWBL project.

IMPROVED SOCIAL OUTCOMES

There are a range of factors that influence on-farm practice change. Certain social factors are both the means to achieve the ends as well as being an end in themselves. Improved productivity and profitability and NRM outcomes indicate that practice change has occurred.

In the case of BWBL, the success of the self-directed group approach relies on the social interaction of group members to assess the suitability of technologies and the best approach to their implementation based on individual circumstances.

Improved capacity of individuals and groups to respond to change

Figure 7 shows the relative importance that members attribute to different social outcomes from their involvement in the BWBL. The strongest level of agreement was that BWBL membership provided respondents with new ideas and information, and support from other BWBL members. This sharing allows members to assess the likely success of different technologies on their farms and share knowledge on implementing those practices, so that 'pit falls' can be avoided.

Figure 7 also shows personal social benefits to members, as well as enterprise level outcomes. These personal-level benefits include members making new friends and have improved confidence (more able to ask questions in public).

When asked to indicate the most important social benefit gained from BWBL involvement, members identified very similar benefits (Figure 8) – which collectively point to the occurrence of social learning. Social learning is a collaborative process where people discuss, debate and interact with others and in so doing are exposed to new ideas, views, and practices. Often this exposure causes participants to alter their own thinking and behavior to varying degrees. The necessary conditions for learning include: a sense of need for the group to exist; networks; a sense of collective ownership of particular issues; sufficient time for group processes to develop; participants believe they need each other to develop solutions; trust, equity and openness; and comprehensible options for action (Van Dijk 2001)¹.

¹ Van Dijk, N. (2001). Social learning for collective action in catchment management. Wageningen University: Netherlands.

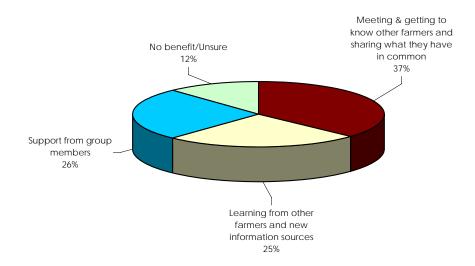
Heard about new ideas and information. Felt supported by members of my BWBL group. Been able to access wider professional networks than I did before. Used new ideas/technologies to change some of my farm management practices. Made new friends. Been more able to identify my information needs in general. Disagree Begun to think more about planning for the future. ■ Neutral Felt more confident about facing future challenges. Become better at identifying when I need help with ■ Agree finding appropriate resource material. Felt more able to ask questions in public (e.g. BWBL group environment) Involved my partner in BWBL activities.

Figure 7: Level of agreement with social outcomes contributed to by the BWBL project.



Seen my mental health improve.

Seen my physical health improve.



0%

20%

40%

60%

% of respondents

80%

100%

8. Discussion

Sheep producers face a range of complex challenges in order for their enterprises to remain both economically and environmentally sustainable. As a result, producers need to consider modifying their practices as new information becomes available. Practice change is the result of a complex interaction between physical, financial and social factors which are influenced by a range of external influences often beyond the direct control of individual producers – economic and market conditions; government policies, legislation, programs and priorities; public pressures; environmental and climatic conditions. BWBL provides the ideal environment for producers to explore the modifications required to allow their business to change to meet the requirements of these ever changing external influences.

The results section clearly shows the financial, environmental and social benefits of the BWBL program to producers. The key results are again listed below.

- improvement in member knowledge, skills, confidence, aspirations and practices with 96% of respondents indicating they had gained new knowledge, 73% had used the information to improve their farm practices, 68% think more about planning for the future, and 65% were more confident about facing future challenges;
- as a result about 45% of members felt their involvement in BWBL had led to on-farm production increases, while 33% felt farm profitability had increased;
- NRM had also improved, with use of stock containment areas during drought being highly rated. However, members considered that productivity/profitability were their main goals;
- almost 90% of members attributed a social benefit to BWBL, nominating networking opportunities to assess different technologies as most important. Members also considered that BWBL had benefits of a personal nature, including improvements in self-confidence and improvements in mental health during difficult times.

The Hassall & Associates survey did not include specific questions about what benefits BWBL held for the wider community. Hence, in the phone survey, members were asked what broader, positive benefits they believe the BWBL program offered. Most of the members identified benefits that could be equated with building social capital. These responses were predominantly focused on the links between BWBL's role in helping members to run more productive and sustainable enterprises, and those members in turn were making positive social and economic contributions to their local/regional communities (e.g. employment, flow-on benefits to local businesses). For example, a member said, "... when farms are more profitable – and some are because of BWBL – the wider community is financially and mentally more healthy." Similarly, another member noted how their productivity has increased and they felt "more engaged with what is going on around us." This member believed these benefits were not easily quantified, but nonetheless had tangible and positive impacts on producers' self esteem.

9. Recommendations

The Hassall & Associates evaluation report captured learnings about program design and delivery to inform future program development. The following recommendations were made:

Strategic planning

A comprehensive strategic plan which captures the expectations of investors and the group's, should provide direction to the project for the next funding period. Such an approach would provide detail of the roles and responsibilities of all stakeholders, as well as the expected outcomes.

Monitoring and evaluation

Both members and investors are interested in better quantifying the return on investment from BWBL activities. For members (and the management team) this information will assist to justify both the time and fees they expend on the activities. In addition, this information can be used for promotional material to attract new members and retain existing members.

For investors, the information will provide justification that returns on investment are in line with the organisation's expectations.

One concern is that investors are likely to commit to funding over a relatively short time period (three years), and it is not always possible to capture outcomes of project activities in that time. In addition, the costs of completing comprehensive evaluations place a significant drain on project funds.

It is also important to recognise there will be both quantitative and qualitative outcomes from the project and suitable processes for evaluating these two types of benefits will be required. Investors will need to recognise the importance of productivity/profitability as well as social outcomes as indicators for successful extension.

Quantitative aspects can be measured following initial on-farm baseline studies and reports at suitable intervals for selected production and profitability indicators. Outcomes of social change are generally less easily monitored but could be structured around Performance Story reporting. This method introduces the idea that there are different time scales at which different outcomes are looked at (e.g. changes in resource condition happen over longer time scales versus the more intermediate outcomes).

In order to reduce the costs of evaluation an option is to develop the capacity among the project management team, BWBL coordinators, and members.

The funding and fee structure

Developing an equitable funding structure is important to all stakeholders. Member fees remain the most contentious of the source of funds and are a priority area for improvement.

Members recognition to project funding is currently only via their cash contributions. Consideration of valuing in-kind contributions for activities such as monitoring and evaluation by members is an option.

Other options raised by members during this evaluation include:

- develop facilitators' capacity to draw in external dollars to their groups to lower the cost of membership;
- membership fee rebates for demonstrated practice change;
- a fee structure based on the number of members in a group. More members per group would lower the cost of
 individual membership and would also provide incentives for members that introduce new members to their
 group); and
- better communication to prospective members of the value for money of their involvement in the BWBL project.

The BWBL network also provides an opportunity for investors to promote their organisations and it may be possible to value this contribution within return on investment calculations.

Coordinator capacity

The success of the group extension model is highly dependent on the skills of coordinators. Although this evaluation showed that members valued the contribution of coordinators, feedback from both members and coordinators indicated a continuing need for structured, professional development opportunities.

These opportunities may be provided by both formal and informal training opportunities. A mentoring program for new coordinators is an example of an informal training approach, as is a more structured process of communicating successful BWBL case studies between coordinators.

Development of an improved recruitment strategy

Recruitment of new members and their role within groups is important for BWBL. The most persuasive recruitment tool for new members is demonstrated return on investment from membership in the form of a value proposition statement for BWBL. In addition, new members need to be accepted within the group and consider that their needs are being met.

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| 2006/07 Annual Report | U:\07941\3 Coordinators\3.4 Anr |
| 2007/08 Yearly Plan & Activities | U:\07941\3 Coordinators\3.4 Anr |
| Six monthly milestone reports | As reported in the milestone documents |