

FARM BUSINESS RESILIENCE PROGRAM



THE BENEFITS OF DEVELOPING A FARM BUSINESS RESILIENCE PLAN

Case situation: The process of developing a Farm Business Resilience Plan (FBR plan) highlights where the major risks to a business lie. However, it can also highlight other opportunities within the business that may not be immediately obvious. The following are some of the benefits nursery businesses may find in the process of developing their FBR Plans.

Context: This narrative brings together the experiences of a number of businesses who have, or are in the process of, developing an FBR Plan. These experiences have broad applicability across all nursery industry businesses.

Link to project: The FBR Program provides a link between businesses and resources that can be used to reduce a business's exposure to risk, through developing and implementing an FBR Plan. The FBR Program provides funding opportunities and access to a range of advisors who can assist businesses in developing their FBR Plans.

Changes made or planned: As businesses are unique, each business will be exposed to a unique set of risks. The following are examples of some of the areas needing to be addressed by businesses in developing their FBR Plans:

- A self-assessment checklist is the first step – this identifies where there are significant risks to the business, and where the greatest attention needs to be focused in developing and implementing FBR Plans.
- Benchmarking of financial and business performance indicators.
- Utilising electronic stock control and sales systems.
- Implementing electronic accounting systems.
- Product costing.
- Identifying where budgeting and business control measures need to be improved.
- The importance of having a structured plan to implement an improvement program.
- The importance of deadlines to stop projects slowing down or stalling.
- Identifying process and business improvements, e.g., improving potting efficiency.
- Having an improvement process in place that engages all management and staff can lift the level of performance of the business.
- Deciding on the future direction of the business:
 - Owners stepping back from the business,
 - Selling the business,
 - Leasing the site to another nursery, or someone who wants to get into the industry but doesn't have sufficient capital,
 - Close the business.
- Documenting a business plan that may only be in someone's head.
- Be able to access external funding opportunities through government or banks.

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Costs: The costs associated with developing an FBR Plan are subsidised through the FBR Program. The self-assessment checklist can be accessed on-line free of charge and will take approximately 20 minutes to complete. There is also an additional rebate of 25 per cent, up to \$50,000 through the Queensland Government's Drought Preparedness Grant, to assist eligible primary producers with improving water supply and reducing water usage. This grant is subject to funding availability.

Impact and benefits: The impact of the changes made can go past the expectation of simply reducing risk. Areas such as improving efficiency, understanding the financial aspects of the business, time management, setting deadlines and improving staff morale can all be side benefits of developing an FBR Plan.

Relevance to others: All businesses are exposed to a range of risks, and planning on how to address these risks is paramount for the long-term survival of a business. 'Failing to plan is planning to fail'.

Resources: A range of resources and assistance are available to assist with developing an FBR Plan

- **Self-assessment checklist** - www.surveymonkey.com/r/FBRP_SURVEY



If you are a primary producer/production nursery, you can access customised advice and in-depth Farm Business Resilience Plans completely free of charge with NGIQ.

- **NGIQ – Nursery & Garden Industry Queensland** – Nursery industry specific information - www.ngiq.asn.au
- **Moshie – Business coaching** - <https://moshie.com.au>
- **QFF – Queensland Farmers Federation** - Farm Business Resilience Plan Template and program information - www.qff.org.au/projects/farm-business-resilience-program
- **QRIDA – Queensland Rural and Industry Development Authority** - Rebates for developing plans and access to funding for improving drought resilience - <https://www.qrida.qld.gov.au/program/farm-management-grants>

The Farm Business Resilience Program is funded through the Australian Government's Future Drought Fund, and the Queensland Government's Drought and Climate Adaptation Program.