

Collaboration in action: the Dairy Moving Forward response to drought

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Abstract: Dairy Moving Forward (DMF) was an AUD\$5 million programme launched in 2003 to support farmers with drought impacts on dairy businesses across the country. It was the first programme, coordinating at a national level, to align public and private sector service organisations in a joint dairy sector initiative. The objective of DMF was to provide all dairy farmers with a better understanding of their situation and take action from a more informed position regarding the implications of the drought for their business. The DMF programme provided an opportunity to research the emergence of collaboration as the vision statement was for 'an industry acting together through powerful collaborative leadership'. An emphasis was placed on collaboration over competition, building capacity of people and organisations, and goal attainment. It relied on regional and professional networks as necessary components of sector development.

This paper provides an analysis of the ways organisations participated in DMF, constructing joint work areas and performing a shared delivery of tasks. Data for this study was gathered from three rounds of semi structured interviews with key DMF participants. Interviews focused on the key evaluative outcome areas while retaining sufficient flexibility to explore issues with respondents where appropriate. Additional data was gathered from participant observations of significant Dairy Moving Forward meetings. Data was captured using audio recordings and field notes that were later transcribed and thematically analysed using the software package, N-Vivo.

Results indicate that historical considerations were an important factor in collaboration, with many respondents referring to collaboration as a distinctive cultural attribute of the dairy industry, relative to other industries. The provision of cash by a lead organisation acted as a catalyst to organisations to engage with DMF. Partner organisations needed to bring resources to the table too, to complement cash contributions. All partners shared a sense that the industry was in a crisis of such magnitude that it would take a joint response to manage our way through the drought.

Keywords: collaboration, information, farm management, service provision

Introduction

The use of collaborative business arrangements varies between agricultural industries. Historically these arrangements were often used when there was a need to pool resources, for example the processing of a product like milk. As a generalisation we can say that industries with a long history of collaboration tend to have farmers who share common needs and perceive little competitive threat from their neighbouring farmers. We define collaboration as working together to achieve something of benefit, for each of the partners in the collaboration. Partners may have aligned goals related to a common agenda, or they may pursue different goals that are mutually beneficial.

In this paper we examine an industry development programme called Dairy Moving Forward (DMF) and ask, how do organisations work together, what undermines collaborative initiatives and who determines when such an approach is appropriate? We use an interactionist perspective to conduct this study. As such we are particularly interested in building an understanding of adaptation as a constructive process, where new possibilities for action emerge when different individuals and groups link their practices. This perspective has implications for the study of learning. Fay (1996) points out that interactionist social science approaches the research of learning as a social process.

Interactionism ... identifies as a central task for social science to uncover precisely how earlier webs of ideas and practices internalize, adapt, exploit, or re-see what was once alien and perhaps more powerful. Interactionism as an ethic urges people to engage differences in ways that explore possibilities for productive and positive learning from each other. People can learn about each other and from others, thereby not only learning about them and themselves but also opening up new possibilities for themes and other in the processes of engagement. (Fay, 1996, p.234)

We first introduce DMF to provide a contextual backdrop to our study. We then introduce a model of collaboration that guided our initial investigations of the collaborative process. Later we outline our methodology and discuss our findings that were derived from an action research project operating within DMF. Finally, we reconceptualise collaboration in light of our understanding derived from our analysis of DMF.

Dairy Moving Forward

Dairy Moving Forward (DMF) was an AUD\$5 million programme launched in 2003 to support Australian dairy farmers through the 2002 -2003 drought that impacted on businesses across the country. It was the first programme, coordinated at a national level, to align public and private sector service organisations in a joint dairy sector initiative. The objective of DMF was to provide all dairy farmers with a better understanding of their situation and take action from a more informed position regarding the implications of the drought for their business.

The programme was designed as five modules delivered over a two year period. It provided an opportunity to research the emergence of collaboration as the vision statement was for 'an industry acting together through powerful collaborative leadership'. An emphasis was placed on collaboration over competition, building capacity of people and organisations, and supporting farmer goal attainment. It relied on regional and professional networks as necessary components of sector development (Brightling, *et al.*, 2006).

The first module, called 'Clearing the Fog', focused on the elimination of myths that were starting to influence farmer thinking and decision making. This was achieved by surveying farmer opinions, using targeted media releases, and using specialists in a series of workshops for farmers across the country. The second module focused on regional development issues to ensure DMF as a national program aligned with the existing local initiatives. The third module offered a personal 'Stocktake' for individual farm businesses to determine their current situation and develop plans for their future. The fourth module, called 'Taking Action', provided a group based approach to acting on the plans developed from the Stocktake. The final module addressed people factors like employment, stress management and farm succession. The logic underpinning the program design was as follows:

1. first determine what the national situation is in terms of farm physical and attitudinal variables;
2. provide expertise to address any information gaps or misconceptions in a way that aligns with local initiatives to support farm businesses;
3. use the capacity of the existing service sector to give customised support when assessing the current status of farm businesses;
4. develop a cost effective service to implement plans over a season with support from other farmers;
5. appreciate and support the more sensitive people issues as these often have a more enduring impact on businesses.

A manager was appointed to each module and together these managers formed a core team, along with the communication, evaluation and project management co-ordinators.

A program of this scale required financial and human resources that were beyond the capacity of the primary funding agency (Dairy Australia). Industry leaders recognised the need for some form of joint initiative to achieve a rapid and extensive impact on farmers' confidence. A collaborative process was required to engage, jointly develop and deliver services across organisations.

The collaborative process

Eisenhardt and Galunic (2000) use an ecological concept of coevolution to describe the strategic significance of collaboration in business. Organisations are like interdependent organisms in an ecosystem; they adapt and succeed if they can align their trajectories of growth and development in a way that benefits each individual. This adaptive process entails a pay-off between capturing benefits through synergy, as opposed to the additional effort required to collaborate.

Traditional corporations focus on picking the right collaborations. By contrast, coevolving companies recognise that the number of collaborative ties is often just as significant as the kinds of collaborations. They balance the tension between too many links that restrict adaptation and too few that miss important opportunities for synergies. (Eisenhardt and Galunic 2000, p. 97)

The Eisenhardt and Galunic model of co-evolution focused on the strategic advantage that individual businesses derive from collaboration, indeed they warn that many firms have become preoccupied with collaboration, the 'means', rather than the strategic 'ends'. Unfortunately they provide little in the way of explanation regarding the collaborative process itself, thereby implying that any qualitative differences between collaborative approaches were irrelevant to the performance of co-evolutions.

During our search for a model that better explained how the collaboration process contributed to organisational adaptation we identified an alternative evolutionary model. Alter and Hage (1993) investigated a range of public and private sector business relationships in the USA to build a model that explains why organisations chose to work together. Alter and Hage claim inter-organisational collaboration evolves from an interaction of several factors that vary in their strategic importance. For example, farmers need a return from their sale of product in the short term; these same returns can be supplemented with funds from others (eg. a venture capital agreement) to open new possibilities for the business, particularly when linked with expertise from others (eg. a consultant). An important motive to build collaborative ties with others is the need for adaptive capacity (as occurs under conditions of drought). A farmer's willingness to collaborate and share risks will be a significant determinant of the extent of collaboration that will be entertained by the business.

The Alter and Hage model, developed from a path analysis, also enabled the identification of intervening variables responsible for the evolutionary process. These intervening variables include the complexity of the task which determines in part the requirement for expertise and the need to share risks and resources. The culture of trust and past experience in collaborative arrangements will influence the willingness of farmers to collaborate. The size of farm businesses will have a direct bearing on the need to share resources and risks. If market niches are involved, like the functional food market, then the need for expertise and sharing of risk will also increase. Finally, a set of structural conditions were identified as drivers promoting greater interorganisational collaboration. These impact directly on the intervening variables and include accelerated technological change, increasing cognitive complexity in the performance of management tasks and a trend towards the customisation of utilities and services.

The Alter and Hage model explained the process of collaboration in sufficient detail to give us confidence to design a study of collaboration as an action research activity. We wanted to capture lessons in real time as part of the project team and implement findings in a way that would improve the performance of the programme.

Methodology for studying collaboration in Dairy Moving Forward

We wanted our analysis to focus on the ways that organisations participated in DMF, constructing joint work areas and performing a shared delivery of tasks. Data for this study was gathered from three rounds of semi structured interviews with key DMF participants. Interviews focused on the key evaluative outcome areas while retaining sufficient flexibility to explore issues with respondents where appropriate. Additional data was gathered from participant observations of significant DMF meetings. These included core group meetings; reference advisory group meetings; project development meetings involving regional coordinators; and reference group meetings (Paine and Taylor, 2006). Data was captured using audio recordings and field notes that were later transcribed and thematically analysed using the software package, N-Vivo.

Over time the program developed protocols and guidelines to inform how organisations related to each other, how information was shared and knowledge generated, and how support services were designed and delivered. Our study of collaborative processes investigated how outcomes were achieved from particular ways organisations related to each, constructed their work areas and undertook the delivery of tasks. By paying attention to the creative and intellectual development work that went into projects 'a way of acting' was elaborated as an explanation of what worked and why. These lessons, captured through the study, provided feedback in real time to the DMF management team. Collaboration expressed itself most in the regional development activities and in the stocktaking module. We will therefore deal with each of these in more detail before discussing the lessons that emerged about the collaborative process as a whole for DMF.

Taking Stock

The *Taking Stock* module of DMF involved a collaborative development approach requiring agreed parameters for business analysis and the use of a one-to-one delivery process via advisors who were trained to a consistent standard across industry. The aim was to have dairy farmers basing their business decisions on the realities of the industry and their own farms, build confidence about their business and develop a culture of business inquiry in the dairy industry. It also aimed to support this culture with an increasingly capable service sector. Taking Stock was launched in 2005 and still runs today. 1800 of the 9000 dairy farms in Australia, over 150 service providers and 50 organisations have been directly involved in its development and delivery.

Taking Stock used a process that had five distinguishing features:

- dairy farm families were engaged in discussion, assessment and recognition of their current situation and future options;
- delivery was one-on-one based, using credible (trusted/reliable) deliverers (dairy company field staff and other service providers) who had a solid understanding of farm management and dairy industry issues;
- it used a specific format, including a software application based on agreed, consistent physical and financial indicators that could be used as required, to structure the dialogue and provide relevant analysis of a range of farm issues – and could be completed in a relatively short period of time (3-4 hours);
- the process initiated action planning by dairy farm families and signposted to resources and services that matched each business's specific needs; and
- it motivated dairy farmers to develop better ongoing advisory relationships.

34 partner organisations were contracted to deliver the *Taking Stock* process. The model for delivery with participating organisations was based on co-investment- with a reasonable sum negotiated per farm serviced and a co-funding arrangement of 50:50. This has required a significant amount of new interaction and relationship development. It also attracted significant additional resources to DMF, in both cash and in-kind, leveraging off the initial funding by Dairy Australia. 156 service providers (including dairy company field staff, agriculture department extension personnel, rural financial counsellors, farm management consultants, and accountants) have been trained, half of these being dairy company field officers. Deliverers were provided with training, regular update sessions, an e-mail discussion group, and access to a regional coordinator to handle enquiries and provide support. Prior to delivering Taking Stock only 30 per cent of service providers felt confident in assessing the financial and physical health of a farm business and prioritising these issues for action. A year later 67% of these providers felt confident. Furthermore, 54% of farmers stated they had acted to change aspects of their farm or business management as a direct result of their Taking Stock experience.

Designing Taking Stock was a collaborative effort that involved major contributions from a number of milk processors, farm consultants and bankers. A collaborative development process meant that the form of the final product couldn't be determined at the outset. Dairy Australia provided a central pivot but did not impose a model or a pre-determined approach.

The study of collaboration identified an increased capacity of the service industry sector through being involved in Taking Stock. This capacity had multiple elements including: increased capacity in farm biophysical and financial skills (through learning together and off each other); increased interpretive skills and systems understanding; new or re-energised networks with deliverers understanding the capacity of others and their organisations – generating further development and collaboration in other industry initiatives; and increased capacity in the 'people' or non-technical aspects of farm management (i.e. building advisory relationships, managing conflict, understanding farmers' goals, etc.)

A regional approach

A key design feature of DMF was that it had to provide regional responses. Regional groups were used to help dairy communities manage the flow of information between national and regional sources, thereby counteracting misinformation that was undermining confidence in the industry.

Meetings were held for service providers (called 'Clearing the Fog Workshops' and 'Business Briefings') to provide better information (separating regional beliefs about the dairy industry into facts, fictions, opinions and grey areas), identify areas where more work was needed to clarify the realities for a particular region, and to improve relationships and communications within a region. These information forums presented facts and dispelled myths for over 1000 service providers.

Regional Coordinators were appointed in each region. This person provided communication and operational management to support the leadership group and underpin the effectiveness of DMF. It was very much a networking and facilitating role – ensuring people knew what was happening or how to find out, and organising people to deliver information or activities. Appointment of the right person (who was local, trusted, energetic and well-organised) to the position was critical.

What was achieved as a result of this regional approach? National information (eg. national surveys, research findings, market analyses etc.) was customised to regional needs. This information was accessible locally in an interactive context. It prompted a culture of business inquiry that enabled the Taking Stock module to follow-up with individual farm businesses. Farm businesses also pursued other avenues to Taking Stock as over 40% of farmer who participated did not engage in a regional discussion group or workshop. The DMF programme collated reports on each action plan that resulted from a Taking Stock exercise to direct research and extension in the region. As consequence national resources were more targeted because the action plans represented a demand driven response to farm business needs in the region. Capacity building for regional service providers was achieved through the provision of national training exercises that were supported with tools developed following industry agreed approaches.

Effective collaboration

We asked what conditions make for effective collaboration. The capacity of Dairy Australia to put cash on the table provided an important catalyst to organisations to engage with DMF. Partner organisations needed to bring resources to the table too, to complement the Dairy Australia contribution. All partners shared a sense that the industry was in a crisis of such magnitude that it would take a joint response to manage our way through the drought. So this understanding involved more than sharing a common goal, it also involved a shared belief that working together on the issue would have more impact than operating separately. There was an agreement on who was leading and co-ordinating the initiative – a management group hosted by Dairy Australia with members from key organisations on the team. In all this there was no individual or organisation that had a motive to exert intellectual property rights over the initiative.

There was an urgency to address business viability issues at an individual farm level – organisations were results driven in their focus to support the production base of the industry. To deliver this support they were highly aware of the need to reduce confusion from multi-services delivered through different organisations. Action was taken to reduce the duplication of services and eliminate ambiguous messages flowing across the industry. Central coordination of services imparted an ability to manage the complexity that is associated with reaching many farms with different servicing requirements. Partners were motivated by the need to mitigate risks, like security over feed supply, through working together. In all this there was a need to meet each organisation's needs (self interest) while servicing industry needs.

Threats to collaboration

What conditions undermined effective collaboration? An early threat to collaboration came from uninformed criticism that was allowed to get a foothold in media reports. A concerted effort was required to dispel the myths that were spreading about the extent of long term damage that industry was incurring (eg. decline in the number of stock replacements in the industry). Collaborative efforts were also undermined by beliefs that DMF initiatives would not make any difference to the fate of the industry. In a similar vein, fear or lack of trust about the motives of other organisations to become involved was detrimental. When organisations wanted to protect their brand and attribute services as their own, it tended to detract from a sense of being in this together as a national initiative. Some issues also arose over the restriction of advisory services to fee for service only, as support in the form of Taking Stock was intended as a service available to every farmer in the industry.

Evolution of collaboration

Practices that were critical to the evolution of collaborative partnerships included the early involvement of partners in the development process. Regular meetings, with updates and feedback ensured all partners had access to trends and lessons from other regions. Collaboration is resource intensive because regular face to face meetings were necessary to convey the subtleties and nuances of what worked and why for different regions and modules. A common feature was to build out of existing networks, structures, experiences and practices, like drought response teams or aligning with initiatives by financial councillors in the districts. At times this required the accommodation of different views about what would work in the regions so a process of negotiation was required to reach a compromise between regional and national priorities.

Having an agreed process for working with farmers (in the form of Taking Stock) assisted with the alignment of views. It enabled a monitoring and reporting process to collect data that was useful to the individual farm, the organisation and DMF. Hence lessons and experiences were readily exchanged throughout the whole programme of work. The sharing these experiences then tended to work its way into the way business was practiced by each organisation. In particular, empathy for the situation that each organisation was working through improved through the monitoring and reporting process. This in turn required a degree of honesty and transparency in the reporting process. Collaboration includes the sharing of resources between organisations. These resources included training and mentoring of advisors and access to specialists. Often operating costs were covered in part or full by partnering organisations as in-kind contributions to DMF. Significant contributions of time were involved in engaging farmers, interacting with project teams, problem solving on farms and debriefing back to DMF.

Collaboration requires sufficient resources to fund meetings and reporting processes to overcome the threat of isolation from others. This was achieved in DMF through frequent use of teleconferencing to reach 3500 km west to Perth and 3000 km north to Atherton from Melbourne to coordinate regionally specific initiatives that were aligned with the particular 'way of doing business' in DMF. This provision of resources extended to allowing sufficient time to develop partnerships without excessive stress (though some stress is motivational), even under an urgency to act on an industry crisis. Collaborative action is constrained when partners hold to their traditional ways of doing business, being unwilling to adopt new approaches to servicing farmers through the involvement of new partners in the advisory relationship (eg. Government farm advisor and Milk Company Field Officer or Rural Financial Councillor). Certain practices like withholding information or operating to hidden agendas are particularly damaging to the underlying trust that is the foundation that collaborative practices are built upon. A trap to be avoided in the development of collaborative approaches to industry servicing is to reify collaboration, to make collaboration an end in itself when it is only a type of social capital for the dairy industry to better adapt and change.

Conclusion

Dairy Moving Forward was a collective response to a critical need by many organisations to adapt to impact of drought. What emerged was a particular '*way of acting*' that became a highly effective method for industry development. This way of acting emphasised collaboration over competition, while building the capacity of people and organisations to make changes in ways that helped them achieve their goals. It was based on a particular model of knowledge that supports learning and adaptive solutions within an industry, organisations and individuals. This way of acting placed regional and professional networks as essential components within an industry development programme. The performance of these networks depended on trustful relationships and communicative competence across organisations.

Collaboration is not antithetical to self interest, indeed the experience of DMF indicates that people are motivated to participate in collaborative arrangements because they perceive personal gains that exceed those of acting alone. This motivation can be harnessed by organisations that have a whole of industry leadership responsibility. A crisis like a drought results in the breakdown of the routines that businesses have traditionally followed to achieve success. Under these conditions we find organisations willing to entertain the idea of collaboration. These organisations appreciate that although collaboration often risks the introduction of additional transaction costs it has a high chance of introducing new capacity to adapt to an otherwise threatening situation.

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