

# DairyNZ QuickPlan

*A strategic planning tool for farm owners and sharemilkers*

*Design your pathway to success*



DairyNZ 



# Introduction

This Strategic Planning workbook, 'Design your Pathway to Success', is aimed at assisting farm owners and sharemilkers to develop a strategic plan for their life and business. We believe the most successful and happy farmers have real clarity of direction and are always working towards and achieving goals.

## **The 3 step planning process we will take you through is:**

1. Choosing meaningful Vision and Value statements that align with your beliefs and desired direction
2. Selecting relevant Goals and Actions from the four focus areas
3. Completing the one-page Planning Wheel by transferring the Vision, Values, Goals & Actions from the workbook

## *Vision and Values*

A Vision is a high level or over-arching statement that describes what you want your life to be like and the principles or values you want to live by. It includes three main areas: What important things you want to have, what contributions and accomplishments you want to make and what type of person you want to be. Turn to the vision and values page. Select one to three Vision Statements and four to six Values that are important to you. Then write them into the 'Vision' circle. Use the words provided or alter any words to personalise your plan even more. Then transfer to the Planning Wheel.

## *Goals and Actions*

Without the identification and achievement of specific goals and actions, dreams will stay dreams. Clarify what are the important goals you want to achieve and what things need to happen for those goals to be reached. There are four focus areas: Financial Planning, Production, People and Lifestyle. In each of the four focus areas choose two to four goals and up to seven actions then transfer these to the 'My goals' and 'My actions' column adding dates for completion. Personalise these goals and actions if desired and ensure they link to your vision.

## *Planning Wheel*

Transfer your Vision, Values, Goals and Actions onto the one page Planning Wheel. Stick it on the office wall, look at daily and you will discover the daily decisions you make will become aligned with your Vision and Goals. Consider also putting a picture alongside your vision statement. It may be a picture of your family, where you want to live and other important things you want in your life.

This workbook and planning wheel should be a living document. Keep working on it, reviewing it, and get your family involved by finding out what is really important to them.

*If it is to be, it is up to me!*

# Vision and Values

## Instructions:

1. Select one to three Vision Statements and four to six values that are important to you
2. Then write them into the 'Vision' circle
3. Use the words provided or alter any words to personalise your plan
4. Then transfer to the Planning Wheel.

It is important to us to create a secure, balanced and positive home life for our family and our marriage

Operate our farm to a high standard so that we can be proud of our accomplishments, and be recognised for this

Our spirituality provides the central purpose for our family life

We have loving respectful happy relationships and enrich the lives of those around us

Grow our farm business so it is large enough to ensure a secure financial future and so it can be passed on to our children

Build enough equity through our farming business so in retirement we can have the lifestyle we want

Be a positive role model for our children and encourage them to develop into happy content adults that achieve to their potential

We continually seek to grow our knowledge and have the courage to take on new challenges

*Vision.*

*I/we value:*

To share our passion for the industry and play a leading role in the community

Build a solid equity base through farming and off farm investments, to ensure we have a low risk secure financial future for us and our children

Increase our farm profit to enable increased debt reduction, increase our standard of living/savings or reinvestment in our business

To continue to increase the size and profitability of our farm business to achieve financial freedom

To have the freedom to choose and to have free time

To be continuously challenged and to have contact with interesting people

## Values

### I/we value (circle 4 to 6 high priority values)

achievement      openness and honesty  
quality relationships      stability and security  
recognition    respect    reputation    health and fitness  
environmental      enhancement      spirituality  
creativity      innovation      ethical values  
inspiring others      integrity      independence  
leadership      ongoing challenge      competition  
decisiveness      freedom      adventure      privacy  
helping others      mental stimulation and growth  
family focus      positive attitude      fun

# Financial Planning

**Instructions:** 1. Choose two to four goals, and up to 7 actions. 2. Write these in the *My goals, My actions* column adding dates for completion. 3. Personalise in your own words. 4. Then transfer to the Planning Wheel

	Budgets & KPIs	Equity growth	Structure & administration
Goals	Establish the important measures of financial performance (KPIs) for farm business and benchmark annually <input type="checkbox"/>	Grow our equity from \$X to \$X , so as to achieve financial freedom ie enough equity to fund the lifestyle we want <input type="checkbox"/>	I/my family are adequately protected in the event of financial, physical or marital challenges eg wills, guardianship, insurance <input type="checkbox"/>
	Generate \$X cash surplus each year for debt reduction or future investments <input type="checkbox"/>	The business will generate an Operating Return on Assets greater than interest rate <input type="checkbox"/>	Establish an appropriate business structure that combines tax efficiency with succession planning goals <input type="checkbox"/>
	Increase business skills so I can confidently manage our business financials <input type="checkbox"/>	Maintain debt to asset ratio below X% <input type="checkbox"/>	Streamline my business administration systems <input type="checkbox"/>
	Reduce farm working expenses to \$x/kg MS <input type="checkbox"/>	Invest in another farming venture <input type="checkbox"/>	<input type="checkbox"/>
Actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Register farm on DairyBase with accountant, consulting officer or online at <a href="http://dairynz.co.nz/dairybase">dairynz.co.nz/dairybase</a> <input type="checkbox"/>	Develop 5 to 10 year financial plan, forecasting equity position and business structure <input type="checkbox"/>	Visit accountant and lawyer to discuss appropriate business structure <input type="checkbox"/>
	Use DairyBase annually to benchmark financial performance – contact the local consulting officer or consultant to assist with interpretation of the report <input type="checkbox"/>	Allocate specific time per month to investigate opportunities to grow equity e.g. sharemilking job, equity partnership, off farm investment <input type="checkbox"/>	Identify farming contact with excellent business administration system and visit to get ideas and then implement. Visit <a href="http://dairynz.co.nz/dairyconnect">dairynz.co.nz/dairyconnect</a> <input type="checkbox"/>
	Purchase budgeting programme e.g. Cash Manager, Figured <input type="checkbox"/>	Learn to evaluate new business opportunities <input type="checkbox"/>	Allocate time to set up filing system this winter <input type="checkbox"/>
	Develop and monitor a cashflow budget <input type="checkbox"/>	Attend Mark & Measure courses/ Biz Grow groups to build analysis and planning skills <input type="checkbox"/>	Investigate Bank Link to check appropriateness for coding accounts <input type="checkbox"/>
	Enrol in a budgeting course to learn budgeting skills <input type="checkbox"/>	Allocate \$X to debt repayment from cash surplus identified in the budget <input type="checkbox"/>	Meet lawyer to update our wills and meet with insurance agent to review our requirements <input type="checkbox"/>
	Use accountant to produce monthly budgets v's actual to make management decisions <input type="checkbox"/>	Plan annual meeting with banker, accountant, consultant to discuss business strategy <input type="checkbox"/>	<input type="checkbox"/>
	Learn how to use our cash management software to its full potential <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Succession, retirement, off farm investment

### My goals

Our Succession Plan supports the long term goals of our family and business

Date: \_\_\_\_\_

Develop a Retirement Plan – where to live, source of income, social interests etc

Date: \_\_\_\_\_

Aim to have X% of our equity in 'off farm investments' to prepare for the time when not farming but still require passive income

Date: \_\_\_\_\_

Date: \_\_\_\_\_

### My actions

Succession Planning / Retirement Planning / Investment Planning: Up-skill by reading, attending courses, getting advice from specialist and practitioners

Date: \_\_\_\_\_

Call a family meeting to discuss the long term future of the business

Date: \_\_\_\_\_

Complete the Succession Plan/ Retirement Plan/Investment Plan with appropriate specialist support

Date: \_\_\_\_\_

Allocate time each month to review planning wheel, goal setting process and progress

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Production – profitable and sustainable

**Instructions:** 1. Choose two to four goals, and up to 7 actions. 2. Write these in the *My goals, My actions* column adding dates for completion. 3. Personalise in your own words. 4. Then transfer to the Planning Wheel

	Production	Pasture management	Animal management
Goals	Establish the most suitable farm system to optimise production/profit that aligns with our goals (high input/low input, once a day milking, heifers on or off) <input type="checkbox"/>	To increase the quantity and quality of pasture grown <ul style="list-style-type: none"> <li>• Grow X tonnes DM/ha</li> <li>• Cows eat X tonnes DM/ha</li> </ul> <input type="checkbox"/>	Achieve a 78% in-calf rate in 6 weeks <input type="checkbox"/>
	Profitably produce X kg milksolids X kg MS/cow and X kg MS/ha <input type="checkbox"/>	Improve the quality and utilisation of supplements <input type="checkbox"/>	At calving, cow condition will be 5 (5.5 heifers) and pasture cover will be X kgDM/ha <input type="checkbox"/>
	Ensure infrastructure is not limiting production eg. farm dairy, fencing, water, races, staff housing <input type="checkbox"/>	Achieve optimum soil fertility <input type="checkbox"/>	Grow replacements to 90% of mature weight at 22 months <input type="checkbox"/>
	Clearly communicate farm policies and procedures to ensure repeatable and reliable results from the farm <input type="checkbox"/>	<input type="checkbox"/>	Animal health issues such as metabolic, mastitis, lameness, disease, do not limit production or profit <input type="checkbox"/>
Actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Visit highest performing farms in the area to get ideas on the right system for us <input type="checkbox"/>	Download the spring rotation planner tool and feed wedge tool from DairyNZ website and implement <input type="checkbox"/>	Employ an InCalf trained adviser to fully assess our herds reproductive performance <input type="checkbox"/>
	Develop a policy and procedures guide for running the farm as a method of communicating to staff members <input type="checkbox"/>	Ensure grazing residuals reach 1500 to 1600 kgDM/ha with milking cows <input type="checkbox"/>	Establish set dates in the autumn when cows of a particular body condition score are dried off <input type="checkbox"/>
	Employ a consultant (with good references) to help us develop and meet key management targets during the season <input type="checkbox"/>	Use the Supplement Price Calculator (dairyNZ.co.nz/feed) to calculate how much to pay when purchasing supplement <input type="checkbox"/>	Visit replacements regularly to check progress – weigh monthly against set target weights and take action if below target <input type="checkbox"/>
	Attend a Mark & Measure Business Performance seminar to aid in assessing the efficiency of our farm <input type="checkbox"/>	Apply fertiliser based on most recent soil test and the Nutrient Management Plan <input type="checkbox"/>	Develop a winter feed plan in the summer <input type="checkbox"/>
	<input type="checkbox"/>	Join the local DairyNZ Farm Systems discussion group <input type="checkbox"/>	Get on top of current animal health issues by getting vet / consultant / discussion group to fully assess all contributing factors <input type="checkbox"/>
	<input type="checkbox"/>	Ensure the farm is walked weekly, to generate a feed wedge, update grazing plan and discuss at weekly Monday morning meeting <input type="checkbox"/>	Get some help from LIC to improve the accuracy of our MINDA records <input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	





## Environment & infrastructure

Enhance our farms natural environment (plantings, native bush protection, maintain waterways, biodiversity)

Date: \_\_\_\_\_

Our farm is fully compliant with Regional Council rules and milk company supply terms relating to the environment. We are implementing our nutrient management plan.

Date: \_\_\_\_\_

Ensure our practices are fully compliant with relevant animal health and husbandry standards

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## My goals

## My actions

Complete the 'Compliance Checklist'

Date: \_\_\_\_\_

Update effluent system to ensure compliance

Date: \_\_\_\_\_

Complete the DairyNZ 'Farm Evirowalk' and work through the 'Smart Water Use' toolkit

Date: \_\_\_\_\_

Improve farms infrastructure e.g. realign fences so paddocks are of similar size, upgrade water supply

Date: \_\_\_\_\_

Improve the aesthetics of the farm e.g. planting programme, tidy up around tanker track etc

Date: \_\_\_\_\_

Improve cow stand-off areas to minimise soil damage in wet conditions

Date: \_\_\_\_\_

Discuss and update our nutrient management plan with the fertiliser rep or farm adviser

Date: \_\_\_\_\_

# People – staff / networking / time flexibility

**Instructions:** 1. Choose two to four goals, and up to 7 actions. 2. Write these in the *My goals, My actions* column adding dates for completion. 3. Personalise in your own words. 4. Then transfer to the Planning Wheel

	Staff	Networking	New challenges
Goals	Strong supportive relationship within the farm team lead to excellent team work and achievement of farm goals <input type="checkbox"/>	To have a rural professional team that fully supports us to achieve our goals <input type="checkbox"/>	Always be focused on a new challenge that makes me jump out of bed every morning <input type="checkbox"/>
	Staff are attracted to work on our farm because of the learning and progression opportunities <input type="checkbox"/>	Build and maintain a positive, mutually beneficial relationship with farm owner/sharemilker/equity partners <input type="checkbox"/>	Review my skills as a leader – what could be improved, could I provide a mentoring opportunity to another farmer? <input type="checkbox"/>
	The farm is a safe working environment, with relevant policies and procedures in place <input type="checkbox"/>	Regularly create opportunities to meet motivated people and seek new ideas and opportunities - industry leaders, friends, peers, professionals, attending seminars <input type="checkbox"/>	Win a farming competition <input type="checkbox"/>
	Permanent and/or relief staff get the right jobs done, on time within a positive team environment <input type="checkbox"/>	<input type="checkbox"/>	Regularly improve my knowledge and skill base and seek new opportunities <input type="checkbox"/>
Actions	Establish a staff recruitment process utilising the QuickStart Recruitment Kit <input type="checkbox"/>	Ask successful farmers who they use for advice (accountant, farm consultant, banker) and interview them to decide suitability for us <input type="checkbox"/>	Consider taking up a new challenge: participate in farm trials; a career change; university study; run a marathon; directorships; local government; volunteer work; mentor/teaching; farm supervision <input type="checkbox"/>
	Set up whiteboard in the farm dairy to record peoples weekly jobs <input type="checkbox"/>	Invite..... for dinner – a person or a couple we respect and can learn from 2 to 3 times per year <input type="checkbox"/>	Use dairynz.co.nz/people to help me develop one skill each month to grow my capability as a farming leader <input type="checkbox"/>
	Encourage farm staff to learn and progress through joining Young Farmers / DairyNZ Progression groups / Primary ITO training <input type="checkbox"/>	Attend two conferences per year e.g. Farmers Forum, SMASH event, Dairy Womens Network, SIDE conference <input type="checkbox"/>	Visit previous competition winners to identify key success factors and then enter competition <input type="checkbox"/>
	Ensure staff know requirements around health and safety e.g. helmets on bikes, weed spray management, machinery operation <input type="checkbox"/>	Organise an annual meeting to share our goals and discuss the farm direction with the farm owner / sharemilker / equity partners <input type="checkbox"/>	Allocate x hours weekly for building my knowledge through reading relevant articles <input type="checkbox"/>
	Use the QuickStart People Productivity Kit to undertake effective team meetings and formal quarterly performance reviews with staff <input type="checkbox"/>	Find a group of like-minded people to share ideas on farm management planning, achieving goals, business ideas <input type="checkbox"/>	If looking for a new opportunity identify specific opportunities e.g. write a list of all the people who have sharemilkers if looking for a sm job, or develop contact with several key agents if looking for farms for sale <input type="checkbox"/>
	Develop a simple clear monthly reporting system, focused on the achievement of agreed KPIs, and future tasks or events coming up <input type="checkbox"/>	<input type="checkbox"/>	Investigate one new opportunity a month <input type="checkbox"/>



## Time flexibility

To free myself up from the day to day running of the farm

Ensure that I am working in a business I am passionate about and is in line with my goals

Ensure that the farm management team have enough capability to keep the farm operating well in the event that one or more of the team are unavailable

Manage my time more effectively so that I meet important job commitments and have a good work / life balance

## My goals

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## My actions

Have a good diary, task list system and planning system and review monthly, weekly and daily to determine priorities and actions

Take action to consider other options, if not generally enjoying my work

Manage my time to achieve a balance between family, farming, recreation and education

Consider employing a house keeper to free up time

Ensure staff are ready to step in and run the farm if required at short notice. Develop a clear farm procedures guide for milking, animal health and feeding management

Meet as a team every Monday morning to prioritise and plan the weekly tasks and delegate to appropriate people

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Lifestyle – family / friends / health / leisure /

**Instructions:** 1. Choose two to four goals, and up to 7 actions. 2. Write these in the *My goals, My actions* column adding dates for completion. 3. Personalise in your own words. 4. Then transfer to the Planning Wheel

	Family	Friends	Health
<b>Goals</b>	To maintain a strong relationship with my husband / wife / partner <input type="checkbox"/>	To develop and maintain a close group of friends, who are positive and motivated <input type="checkbox"/>	To be healthy enough physically and mentally to undertake farm activities and enjoy family and leisure time <input type="checkbox"/>
	My children feel they have enough of their parents attention and time <input type="checkbox"/>	<input type="checkbox"/>	To be at the appropriate weight and blood pressure for my age <input type="checkbox"/>
	Help family members achieve to their potential <input type="checkbox"/>	<input type="checkbox"/>	Develop good habits around healthy eating and sleep <input type="checkbox"/>
	To maintain strong relationships with our extended family <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Actions</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Plan to have dinner date with wife/ husband/partner at least once per month <input type="checkbox"/>	Organise to catch up with friends regularly e.g. monthly dinners <input type="checkbox"/>	Plan to include more fruit and vegetables in diet and smaller food portions <input type="checkbox"/>
	Have dinner around the table with the family each night – need to finish milking by xxpm <input type="checkbox"/>	Contact friends outside our region regularly e.g. phone, Skype calls <input type="checkbox"/>	Have a personalised fitness programme designed for me <input type="checkbox"/>
	Organise one family day off the farm per fortnight <input type="checkbox"/>	Plan an annual holiday e.g. weekend away with friends <input type="checkbox"/>	Plan personal free time <input type="checkbox"/>
	Schedule individual time with each child e.g. reading to children, sports events, fun activities etc <input type="checkbox"/>	Invite new people to the area over for a bbq or dinner <input type="checkbox"/>	Plan an annual GP health check <input type="checkbox"/>
	Plan at least one week per year away on a summer holiday with the family <input type="checkbox"/>	<input type="checkbox"/>	Ensure we get 7 to 8 hours sleep each night <input type="checkbox"/>
	Plan to have regular contact with parents, brothers, sisters or extended family e.g. monthly <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



## Sport/leisure/community

## My goals

To complete one significant exciting activity per year

Date: \_\_\_\_\_

To make a contribution to our local community

Date: \_\_\_\_\_

Maintain fitness by regularly having some event we are entering

Date: \_\_\_\_\_

Have an active involvement in some regular sporting or leisure activity

Date: \_\_\_\_\_

## My actions

## My actions

Family to brainstorm ideas for exciting activity for next year and make the booking

Date: \_\_\_\_\_

Allocate monthly time to leisure activities such as boating, tramping, book club, cooking classes

Date: \_\_\_\_\_

Join local squash / tennis club / dance lessons / sports or interest club

Date: \_\_\_\_\_

Participate in community activities e.g. school involvement, coaching, church, Federated Farmers, charities, sports clubs

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Are you in charge of your direction?

Are you sailing your chosen course to your dream destination, or are you getting tossed around by the currents and winds of life and business? Take a few moments to complete the following questionnaire and identify whether you are the captain of your own life journey. **Tick only those you can 100% answer in all honesty.**

Question	Yes
1 Do you have a picture of what your life will look like at least five years ahead?	<input type="checkbox"/>
2 Have you identified what you will need to meet your retirement needs?	<input type="checkbox"/>
3 Do you have a plan to develop your skills for the future (e.g. <i>people skills, technical skills, financial skills, leisure activities, off-farm investment options</i> )?	<input type="checkbox"/>
4 Do you have a written business plan or list of goals you are working towards?	<input type="checkbox"/>
5 Do you have a written action plan for the week and month?	<input type="checkbox"/>
6 Are you achieving your desired balance between time spent with family, friends, personal development, leisure, work and business?	<input type="checkbox"/>
7 Do you meet with key people regularly to review and plan your future direction (e.g. <i>partner, other investors, banker, accountant, consultant, valued friend</i> )?	<input type="checkbox"/>
8 Do you read a lot and meet with positive motivated people regularly?	<input type="checkbox"/>
9 Is your farm system, stocking rate and calving date optimal for your farm? Do you monitor five or six key drivers for achieving production (e.g. <i>pasture eaten, MS as a % of liveweight, calving rate, pasture cover and residuals</i> )?	<input type="checkbox"/>
10 Do you really enjoy what you are doing?	<input type="checkbox"/>
11 Do you regularly and simply evaluate options?	<input type="checkbox"/>
12 Do you have an appropriate business structure (e.g. <i>company, trust and a succession plan and will</i> )?	<input type="checkbox"/>
13 Do you analyse your business returns annually and benchmark them against top performers (e.g. <i>gross farm revenue, operating expenses, operating profit, return on assets and equity, growth in equity</i> )?	<input type="checkbox"/>
14 Do you know what cash operating surplus your farm has to generate to meet your drawings, interest and principal repayments, tax and investment needs?	<input type="checkbox"/>
15 Do you have an annual budget and a monthly cash flow budget monitored against actuals?	<input type="checkbox"/>
<b>Total</b>	<b>/15</b>

## How do you score? Count the number of ticks

A score of 12 and above shows you are in charge of your business. Farmers who score 14 or 15 have absolute clarity about what they want out of life. They have a robust yet flexible plan to ensure they head to their desired future with certainty. Success doesn't just happen. Success comes from determining what you want to achieve, and making sure the daily steps you are taking are leading in the right direction.

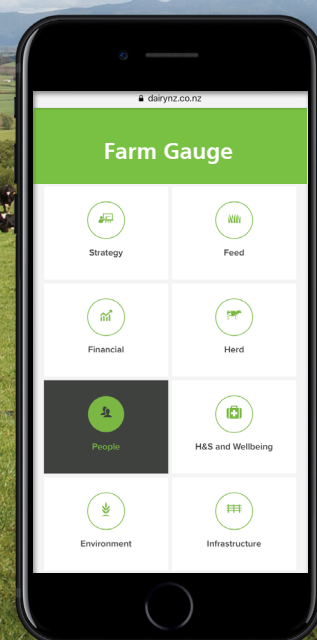
If you have scored below 12, you would see significant advantages in lifting your score. Identify one or two questions you would like to address this year. Then set out with determination to master this area.

**“Control your own destiny, or someone else will” Jack Welch**



Uncover the opportunities  
in your business

# Farm Gauge



Visit [dairynz.co.nz/farmgauge](https://dairynz.co.nz/farmgauge) today!

## Use Farm Gauge to:

- assess your farm's performance
- review the results and formulate a plan for improvement
- access a range of information and resources to help close the gap on 'good' to 'great'.



**Dairynz**

*dairynz.co.nz*