

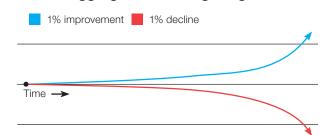
The tools used to predict future business trends and outcomes are entertainingly numerous and diverse.

Some instinctive, others clever, complex and detailed but all come with a health warning as all are based on one assumption or another. Oak before Ash over the twenty years of my farming career has been pretty accurate. Very early Oak this year in Withyham... Should this be directing my forage, grain sales or storage decisions or better to stick to the multiple layers of spreadsheets across the two screens on my desk? The dice or fifty pence piece in young Henry's pocket might on occasion be more useful. I still rue the season when my Peter Perfect farming neighbour (thankfully now retired) said, in the pub "once round the Plain and I knew it was a bumper harvest so I jumped off the combine and called the merchant and sold another 500t before the price dropped. Dropped a lot hasn't it..." I took a deep gulp of Harveys from my glass and cursed him again. Lovely man.

All of the above, every modelling tool, is of course irrelevant if the business doesn't know where it stands in the first place – if the base information is incorrect or out of date we are wasting our time. This morning's board meeting in sunny north Kent was a first for one farming family as we presented clear simple group management information (MI) across the various enterprises, broken down into logical cost centres, highlighting the good, bad and downright ugly. It is a shame to see so much energy wasted on supposition when detailed

Winning margins

Aggregation of marginal gains



MI is within easy reach. It does not need to be complex, in fact it shouldn't be. Good, clear bookkeeping and MI does not have to be all whistles and bells anymore and with very good flexible IT packages costing as little as £8/ month good MI is within reach of all businesses whatever scale. Transferring data from system to system is also considerably easier now. It is no longer necessary to feel locked into Beige or Bee Accounts just because you've used them for years and old Mrs Smith won't adapt.

Demand accuracy and clarity. Where are we? And where are we going? You wouldn't blindfold a man and let him loose on your cows, tractor, yacht, or lawnmower. Why, therefore, do some persist with blindfolding themselves in business?

From our perspective it's a delight to see the light bulb go on, to have the conversation centred on 'why are we doing that?'. Justified, validated businesses are much easier to motivate and move than a hollow bag that may or may not be floating in the right direction. Identify the hole in the bucket Eliza and fix it.

All the indications are that things are going to remain tight across most agricultural sectors. Close to the line, marginal in the extreme. While big picture is arguably more interesting, we can learn a lot from those achieving successes from moving the margins within margins.

David Brailsford of Team Sky Cycling famously pioneered marginal gains in sport and defines them in a concept that he referred to as the "aggregation of marginal gains." He explained it as "the 1% margin for improvement in everything you do." His belief was that if you improved every area related to cycling by just 1%, then those small gains would add up to remarkable improvement.

They started by optimizing the things you might expect: the nutrition of riders, their weekly training program, the ergonomics of the bike seat, and the weight of the tyres.

But Brailsford and his team didn't stop there. They searched for 1% improvements in tiny areas that were overlooked by almost everyone else: discovering the pillow that offered the best sleep and taking it with them to hotels, and teaching riders the best way to wash their hands to avoid infection. They searched for 1% improvements everywhere.

Brailsford believed that if they could successfully execute this strategy, then Team Sky would be in a position to win the Tour de France in five years. He was wrong. They won it in three years.

Clive Woodward describes in his excellent book, 'Winning' how they took a similar line with the 2003 World Cup Winning rugby squad. They looked at everything and strove to make gains in all areas.

Replace Brailsford's pillows and hand washing for bedding and herd health, and the relevance hopefully becomes clearer. BUT to measure the efficacy of these hoped for gains it is first essential to have the base information. The indicators are... clear, simple and easy to find.



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