

'Why is it like that?' asks Hamish (aged 6) on a regular basis throughout the day. He is normally covered in mud, thumb in mouth, inspecting the feed routine at the farm or some other activity. I am normally trying in vain to do something else and struggling to keep up with the machine gun style questioning. An inquisitive lad who won't be fobbed off with 'oh we've always done it like that'. Regularly questioning routine, and therein lies a moment of clarity! Why do we do it like that? That simple question has become one of the themes for the new year reviews of a number of the businesses we are involved in. We are running 'Hamish's Law'; questioning routine, adding it to 'Calcutt's Law' and other such cutting edge business tools.

To date, it has not necessarily been a slash and burn cost cutting exercise but, more subtly, one of finding hidden efficiencies that lead to the reduced cost of production per unit of ... at this point you can take your pick, insert: milk, sausage, beef, lamb, pub meal, tonne of grain. Ironically in a growing business they are harder to find as the growth often masks the issue, hiding the changing balance of output and cost of production.

The milk crisis is unpalatable to say the least. Shocking. Unusually the popular media are on the side of the farmers with the water/milk comparison a stark one. These acute business pressures lead only to strengthen each dairy

Why? why? why?



business's need to ask itself harder and harder questions around its routine and what has become the norm. As price takers rather than price makers we are left constantly looking at how and why we do something and at what cost. If the question is about a way of life, it takes real strength and courage to ask yourself 'Why are we still doing this?' and yet we shouldn't shy away from the question.

A relatively new business that is moving quickly, and that has the ability to set its own price for its product within its chosen market, can get into a routine that sees profit margins ebb away. All markets move quickly and often unpredictably. What was new and exciting yesterday can quickly

become normal and lose premium. In Hamish's world, iPads are everyday and the fact that you can talk to the car and ask it to tell you the way home, where the nearest petrol station is or get it to ring Granny is normal.

While conducting these reviews what we have found most commonly and, it has to be said, easily in our quest to question the routine is a long list of areas that need some thought. Headings that form naturally and are found on most profit and loss accounts. Nothing is off limits and to start with it is a fun process.

What requires strength is not the question but following through on what might be the difficult answer and challenging calculation. Worse

still for some, is change. The managers of the business will nod sagely and happily agree that we need to review practices, tasks, routines, workloads, staffing until that is, you include them in the review. 'You want me to complete this too?!' To which one replies with a straight face and a quiet smile, "Yes, We did just agree a thorough business review didn't we?" Relationships with suppliers, working times, routines, stock levels, van hire, van routes, salesmen, sales commission, purchase ledger, paper clips and waste.

It can start to feel deadly boring until you remember a simple Hamish style question. Why are we in business? The most common answer is 'to make money', hopefully quickly followed up with 'because we enjoy it'.



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