Strengthening sustainable business for farmer groups: capitalizing on farmer group dynamics and goal setting

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Introduction

What will I learn today?

1. Understand why some Farmer Groups fail & why others succeed in Business
2. You will learn to recognize the current Group Dynamic stage of your group
3. Learn to develop SMART Farm Business Goals to strengthen your farm business
4. Learn how to develop a Group Business plan
WHEEL OF FORTUNE

A graphical representation of the importance of farmer groups.
Farmer Group Dynamics are the behaviours/interactions between farmer group members and, how one group interacts with others outside the group.
What stage is your group?

1. Forming
   - How do I fit into the group?
   - What are other people’s attitudes?
   - Who will lead?

2. Storming
   - These are my goals, how are they different from yours? How shall we organise ourselves?
   - Here the group conflicts and relationships formed earlier may be disrupted.

3. Norming
   - Let’s develop ways to work more closely. Here a sense of group identity is formed and roles are allocated.

4. Performing
   - Let’s collaborate, or compete in a friendly manner. The group now has an effective structure, and focuses on achieving the tasks.

5. Adjourning
   - Here the group disbands and members reflect on how the group performed.
Performing

• The highest stage of group dynamics
• Group successfully establishes roles for themselves & each other & begins to accomplish synergy
• Synergy is what the group can accomplish together, which no individual could accomplish on their own
• “Alone I can run fast, but with others I can run far.”
• Individuals are motivated and knowledgeable
• Members are confident in their own skills & can work autonomously to achieve goals and handle decisions without having to involve leadership at every step

SYNERGY
By flying in V formation, the whole flock of birds can fly 71% farther than if each bird flew alone. When one bird flaps, it creates an updraft for the bird that follows
This story is based on a real group of farmers.

Adong lives in Labongali village in Amuru District.

She, much like the rest of her village was tired of working very hard in her garden but not making enough money.
So when a Field Extension Worker came around and encouraged farmers to form groups, Adong and her village got organised and were ready to get started as a group.

They named their group Can Oroma, which means ‘poverty is overwhelming us’
In their next meeting, Adong suggested that they should grow rice.

Why rice you may ask?

Well, the farmers saw that there was a high demand for rice in the market.

They also watched the price of rice climb higher and higher every month.

They knew they could make money (profit) from rice growing
• The Can Oroma farmers made a budget
• The farmers listed all the activities they had to do in order to grow one acre of rice and determined how much each would cost
• They decided to save their own money so that they could pay for the activities themselves
• The group set up a formal savings plan. Every week each farmer had to contribute Ush 2,000
• It didn’t take long for the group members to feel the strain of giving Ush 2,000 per week
• In order to pay their dues, they decided to start businesses
• Adong and her friends made mats to sell. Others bought and sold soap
• A group of farmers worked together. They hired themselves out to other farmers to dig their fields.
• At the end of 2 months, they had raised the money they needed to pay for the rice project
Can Oroma (Cont’d)

- The farmers received training in rice production from a Field Extension Officer.
- They learned how to work together as a team.
- They learned ways to improve their farming methods.
- They visited a successful farmer to learn from his experience.
- After all this, they were excited to begin their rice farm project.
• Work began on their rice project after their savings had grown
• Adong took on the responsibility of buying the garden supplies from the farm shop
• Other members began working on the farm to prepare the fields for planting
• They were happy to start work on their project
Everyone was amazed by the first harvest

They decided to use some of the profits from the sale of their rice to buy more seed and open more land

By the next season, they were able to increase the number of acres they were farming from 10 to 40 acres
At the end of the second growing season, the farmers sat together and reviewed their financial records.

They decided what to do with the profits they earned.

After a long discussion, they decided to use some of the profits to buy two oxen and a plough in preparation for the next season.

Adong volunteered to keep the plough and oxen, as long as the group provided the feed & Vet drugs for the oxen.
Can Oroma (Cont’d)

• In the beginning, Adong and Can Oroma Farmer’s Group felt that poverty was overwhelming them.
• Now they are earning good money as farmers, slowly building up their assets and savings.
Questions for discussion

• Why is poverty overwhelming so many farmers in Uganda & what is needed to change this situation?

• What did the farmers of Can Oroma do right that made their farming Business a success?

• Why did the farmers of Can Oroma decide to grow rice?

• From the story, how can you reduce costs in your agriculture business?
Case study B: Kiwi Youth Group

The Kiwi Youth Group started a Pineapple project. In the planning stages of their project, they assigned duties to every member of the group to carry out during implementation.

The project started well; members were motivated and keen to achieve results. However, during the actual process of pineapple growing, some members failed to carry out assigned tasks. Some of the tasks which were not performed included weeding, mulching and de-suckering.
During the harvests, however, all the group members turned up again. Unfortunately, due to poor management of the pineapples, yields were low. A large part of the crop had been destroyed by weeds and heavy suckers.

Marketing also proved a problem because of low volumes. All the group members wanted to sell the crop and be involved in handling the money. However, many of those people who were involved in the actual sales of the pineapples failed to present the income to the group’s pooled funds. As a result, by the end of the project, the group was no better off than at the beginning.
Why some Groups Fail (Cont’d)

Questions for discussion:
1. When do you think things started to go wrong for the group?
2. Why do you think the group was no better off by the end of the project?
3. If you were a member of this group, how would you try to avoid a repeat of a similar problem?
Goal-Setting for Farm Business Goals

“Write the vision, and make it plain on tablets, that he who reads it may run.

3 For the vision is yet for an appointed time; but it speaks of the end, and does not lie. If it delays, wait for it; it will surely come, it will not delay.”
What is a Goal?

A goal is a vision/statement of what an individual, family, or organization (e.g., farm business enterprise) wants to achieve in the future.
Make Your Goals SMART

- **Specific**: who, what, where, when, why?
- **Measurable** (e.g., progress benchmarks)
- **Attainable** (within your ability to achieve)
- **Realistic** (goals that “fit” your lifestyle)
- **Tangible** (visualization = motivation)
Examples of SMART goals

• “Save 5 million toward the cost of a new potato chipper in four years”
• “Save 1.5 Million for a pair of oxen and a plough in two years”
• “Save 10% of income annually in a VSLA, as a retirement savings plan”

“If you think you can and if you think you can’t then you are probably right”
(Henry Ford)
Farm Business Goals

1. Assess where operation was in the past
2. Assess family and farm resources i.e. Budget
3. Develop a general management plan
4. Identify and establish specific goals and objectives
5. Prioritize goals
6. Develop action plans to implement goals
7. Measure progress and reassess goals

“If you don’t know where you are going, any road will get you there” (Lewis Carroll)
Prioritizing Goals

• Which goals are most important for family and/or business well being?
• Which goals are short-term and long term?
• Do short-term goals conflict or impede long-term goals?
• Which goals are so important that they should be attained even if it prevents reaching other goals?
Write some Farm Business SMART Goals

- We will expand our cowpeas acreage to xxxx acres by xxxx [Date]
- We will sell xxx bags of cowpeas by xxxx [Date]
- We will earn Ush xxx of annual income by xxxx [Date]

Individual Assignment:

Write and prioritize your SMART goals
Group Business Planning

Develop a Group Business Plan

Sample Business Plan (Poultry)
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Thank You