

final report

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Prepared by: Natasha Searle
Rural Directions Pty Ltd
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Meat and Livestock Australia Limited
Locked Bag 1961
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Profitable, Productive Pastoral Zone

Known as 'Pastoral Profit' throughout project period

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Executive summary

Profitable, Productive Pastoral Zone was a joint initiative between Meat & Livestock Australia, Australian Wool Innovation and key stakeholders to deliver an extension program targeting pastoral mixed sheep meat, wool and beef cattle businesses. The project operated in the southern pastoral zone of New South Wales, South Australia, southern Western Australia and southern Queensland. The project was branded and delivered as Pastoral Profit and delivered during the project period 1 June 2014 to 30 June 2017.

The purpose of the project was to build capacity and service delivery in the pastoral zone to facilitate improved business analysis and subsequent decision making processes. Pastoral Profit achieved this by supporting producers, through the delivery of regionally based learning and adoption activities which were adapted to the needs of pastoralists which would allow them to move from intuitive business and enterprise management to more informed decision making about optimal allocation of resources. It is assumed that this would ultimately result in improved resilience, confidence and profitability of pastoral businesses.

Pastoral Profit successfully engaged 2133 participants across 110 events, exceeding all national Key Performance Indicators across all event categories:

- 2133 pastoralists are aware of the need to use business analysis to make informed decisions (Category A) (142% achieved compared to KPI).
- 1240 pastoral producers participated in the delivery activities (Category B) (125% achieved compared to KPI).
- 630 participating producers were recorded as making informed decisions to improve profitability as a result of their involvement with activities (Category C) (102% achieved compared to KPI).
- At least 4 regional coordinators were up-skilled to provide coordination for the project in accordance with the national guidelines and principles to achieve the project outcomes

The national satisfaction for events was high, achieving an average score of 8.7 out of 10. The national average value rating (based on value of the event to the participants business) was 8.4 out of 10 and 82% of Pastoral Profit participants nationally indicated they would be willing to recommend the event they attended. A positive shift in knowledge and confidence was also measured, demonstrating the overall value of the events delivered.

The Impact Evaluation identified that 71% of participants had implemented new, or improved upon one of more business practices as a result of their involvement in Pastoral Profit. The key changes included: clarifying business goals, seeking professional advice, improved financial literacy, focusing on livestock nutrition, emphasis on genetic selection, changes to their marketing of their product, succession planning and implementing strategies to improve business/family meetings.

However, it could be assumed from the impact evaluation results that participants did not fully understand why they made the change or the likely impact on their profitability or productivity. That is, they had not articulated the outcome they expected or have seen to date. It appears producers can identify what they did through recall, but it's not clear there is depth of understanding why and how they see the changes as linking to or driving what particular area of their business productivity

or profitability. This was a limitation of the program being event based delivery, rather than outcome based delivery.

Undertaking the evaluation while the project was still underway meant that the impact on profitability or productivity may not yet have been fully realised, therefore it is difficult to draw definitive conclusions regarding impact.

The social benefits identified included improved communication, relationships and networks with family and other pastoralists, increased business confidence, feelings of greater financial security and feeling more in control with the ability to handle seasonal variation. The environmental benefits included soil stability through management of ground cover and grazing management.

The benefit cost analysis provided an indicative benefit cost ratio of 4.9 however there is a high level of uncertainty in the results of the analysis due to a lack of quantitative evidence to complement the qualitative data used in the analysis.

While these results are positive and the intention of participants to implement changes are noted, and actual change recorded, there remains a recognised misalignment between the expected outcome of Pastoral Profit and the delivery model that was developed and implemented.

It's observed that Pastoral Profit has created awareness of the knowledge and skill gap in a range of business management principles (surrounding the Pastoral Profit themes) and as a result, offered opportunities through event delivery which attracted good participation and built some knowledge and skills. However, it is less evident that Pastoral Profit focussed on the implementation gap and the associated barriers in an effort to close this gap. Closing this implementation gap is the key to enhancing productivity and profitability. It is during such reflections that the flaws in the delivery model when compared to the project goals are most evident. Using a program logic approach and engaging an evaluation expert during project planning would support the development of a more robust delivery model for the future.

This report documents the project success, outcomes, limitations, learnings and recommendations.

Table of contents

1	Background.....	6
2	Project objectives.....	9
	2.1.1.1 Project objectives	9
	2.1.1.2 Key Performance Indicators	9
	2.1.1.3 Delivery of objectives	9
3	Methodology	10
3.1	National coordination	10
3.1.1	Project Personnel.....	10
3.1.2	Project extension	11
3.2	Business plan development and implementation	12
3.2.1	Key Performance Indicators	12
3.2.2	Engagement of the Project Advisory Panel	13
3.2.3	Engagement of Regional Coordinators.....	14
3.2.4	Needs Assessment and Activity Plan Development	15
3.2.5	Implementation of the delivery model	17
3.2.5.1	Event categories/delivery pathways	17
3.2.5.2	Themes.....	18
3.2.5.3	Promotion/participant engagement	19
3.2.5.4	Investment model.....	20
3.2.6	Engagement of delivery partners and collaborators.....	21
3.2.6.1	Technical deliverers	21
3.2.6.2	Collaborators	22
3.2.7	Monitoring and evaluation	23
4	Results.....	24
4.1	Overview of program success.....	24
4.1.1	Practice Change	26
4.1.1.1	Intent to Change Practice	26
4.1.1.2	Actual Practice Change	27
4.2	Program reach	28
4.2.1	Target market	28
4.2.2	Technical deliverers	30
4.2.3	Collaborators	32

4.3	Program impact	33
4.3.1	Impact evaluation limitations	33
4.3.2	Actual practice change.....	34
4.3.3	Impact of change	35
4.3.3.1	Impact of change in the short term.....	35
4.3.3.2	Impact of change in the longer term.....	36
4.3.3.3	Social and environmental benefits	36
4.3.4	Benefit cost analysis	37
4.3.5	Drivers of practice change	38
4.4	Program investment	38
4.4.1	Co-investment model	38
5	Discussion.....	38
5.1	Overview of success of the project.....	38
5.2	Limitations and program weaknesses	39
5.3	Opportunities and recommendations	42
6	Conclusion	45
7	References.....	47
8	Appendix	47

1 Background

Bestprac was a pastoral extension program which was delivered nationally from 1998 to 2014, and involved a network of producer groups. In 2007, the delivery focus moved from group based delivery to the promotion of innovation and implementation through an e-commerce strategy. As a result the groups slowly disbanded.

Australian Wool Innovation (AWI) was the key investor of Bestprac, and focussed predominantly on wool producers as the target market. Meat & Livestock Australia (MLA) also contributed during one earlier project funding period. During the period of 2007 – 2014, Bestprac initiated a number of additional projects to support and add value to the efforts in the pastoral zone, however, the shift to the e-commerce strategy diluted Bestpracs ability to develop knowledge, skills, and confidence and therefore practice change.

The Bestprac project was completed in June 2014. With completion of Bestprac an opportunity was recognised to develop a mixed enterprise based project which would focus not only on wool production enterprises, but also meat sheep, beef cattle, goats and tourism which are all important across the southern rangelands. In a Bestprac Member Impact Survey it was found that only 2 of the 23 producers interviewed had a wool enterprise only (Productive Nutrition, 2013). All other interviewees were running 2 or more enterprises.

Business profitability in the pastoral zone was found to be highly variable (MLA, 2013), and that there had been a decline in supporting extension services available to these businesses in recent years. It was assumed that by providing extension services which are aimed at increasing business management and decision making skills could improve the capacity of pastoral businesses, leading to improved productivity, profitability and ability to manage variability.

It was recognised that without a facilitated shift in focus to whole of business and whole of system analysis, the impact of implementation of strategies to improve profitability, resilience and confidence would be limited. It was recognised that a change in the delivery model was required to meet pastoralist needs.

However, at the same time, market failure in the supply of pastoral relevant resources and knowledge, and skills development opportunities due to the decline in pastoral service providers was seen as a significant barrier. State Government agencies servicing the southern rangelands in general were experiencing a reduction in personnel with the capacity to deliver extension to pastoral grazing enterprises. Across the state agricultural agencies, a 25% decline in resources was reported during the period 2009 and 2013 (RMCIC and AWI, 2013).

Profitable, Productive Pastoral Zone was developed in 2014 as a joint initiative between Meat & Livestock Australia, Australian Wool Innovation and key stakeholders, including the outgoing Bestprac Project Advisory Panel to deliver an extension program targeting pastoral mixed sheep meat, wool and beef cattle businesses which would address the need for a whole of business focus on productivity and profitability. The collaborative approach to project development was to ensure producers owned the new program, and that it would meet the needs of the target group.

The project (Profitable, Productive Pastoral Zone) operated in the southern pastoral zone of New South Wales, South Australia, southern Western Australia and southern Queensland (Figure 1). The project was branded and delivered as Pastoral Profit and delivered during the project period 1 June 2014 to 30 June 2017.

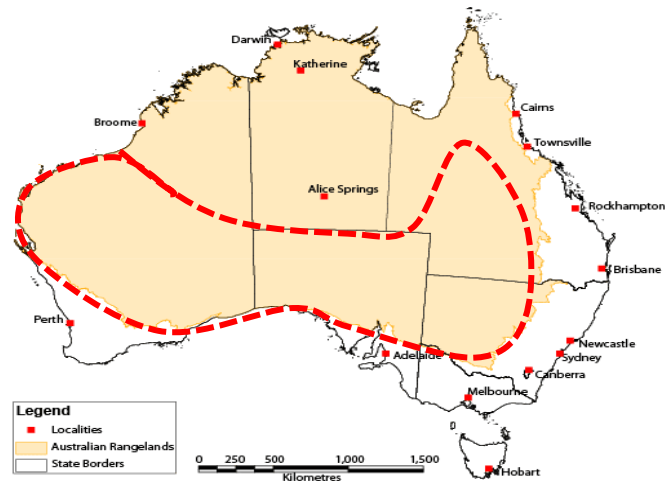


Figure 1 Approximate location of the southern pastoral zone which was targeted by Pastoral Profit (area within the red line)

The purpose of the project was to build capacity and service delivery in the pastoral zone to facilitate improved business analysis and subsequent decision making processes. This would be by supporting producers, through the delivery of regionally based learning and adoption activities which were adapted to the needs of pastoralists would allow them to move from intuitive business and enterprise management to informed decision making about optimal allocation of resources. This would ultimately result in improved resilience, confidence and profitability of pastoral businesses.

To achieve these outcomes, Pastoral Profit identified the following principles for delivery:

- Deliver a program negotiated to align with regional and local needs which also allows for national and pastoral priorities to be addressed.
- Provide a strategy that allows for fostering and strengthening both public and private extension and communication delivery mechanisms for the pastoral mixed grazing industry.
- Deploy limited local industry resources effectively and efficiently, seeking opportunities to leverage resources, increase the pool of service providers, and where possible, avoid duplication in both public and private sector.
- Recognise the engagement behaviour and different learning needs of pastoral producers, provide multiple entry points and a spectrum of aligned and coordinated activities (MLA, AWI and partners) that enables producers to engage in a complete learning pathway to adoption
- Be targeted in its delivery, focusing on achieving awareness, knowledge, skills and confidence change and delivery of practice change of more informed decision making in mixed grazing enterprises.
- Implement a rigorous monitoring and evaluation plan based upon MLA's M&E framework that enables a system of continuous improvement and innovation within the

program delivery, activities and tools, as well as real time monitoring of industry issues affecting performance.

- Engage providers that value levy contributions and producers that value service provider and levy contributions.(i.e. a user pays culture)

To address participation, and ensure relevance, project activities were developed in consultation and partnership with local producers and service providers through a focus group model. Following this needs analysis; five themes were developed by the Pastoral Profit Project Advisory Panel and project Executive which directed content development and delivery. The five Pastoral Profit themes included:

- Strategy and goal setting
- Financial and enterprise management
- Marketing
- People management
- Risk management

The project also recognised the need to build capacity of supporting organisations (Regional Coordinators and Technical Deliverers) to effectively service the pastoral zone throughout this project.

This project was delivered by Rural Directions Pty Ltd. Rural Directions undertook the role of National Coordination, engaging a Project Advisory Panel to provide strategic project input, Regional Coordinators to deliver state based extension activities and subcontractors to assess program impact.

This Final Report documents the project success, outcomes, limitations, learnings and recommendations based on the perspective of National Coordination, undertaken by Rural Directions. This report also refers to findings reported in the Final Reports that were submitted by subcontractors who were contracted to Rural Directions to deliver the project objectives. These reports are included in the Appendix, and are referenced throughout this report:

- Pastoral Profit Regional Coordination Final Report – Queensland (Appendix 5)
- Pastoral Profit Regional Coordination Final Report – New South Wales (Appendix 6)
- Pastoral Profit Regional Coordination Final Report – South Australia (Appendix 7)
- Pastoral Profit Regional Coordination Final Report – Western Australia (Appendix 8 and Appendix 9)
- Impact Evaluation Final Report (Appendix 11)

2 Project objectives

2.1.1.1 Project objectives

As per the contract (variation deed made 16 March 2017), the project objectives to be achieved by June 30, 2017 included:

1. Develop and implement an innovative extension program to improve the business analysis capacity of mixed grazing enterprise pastoralists, using both proven and new extension methods.
2. Understand the barriers for co-investment by producers, and develop strategies to implement at least, a part user pay culture.
3. Efficient and effective implementation of the pastoralist program, through coordinated delivery of activities using a range of service providers and leveraged partnering opportunities.
4. Deliver training activities to increase the skills and capacity of 4 regional coordinators in the coordination of activities to deliver the innovative extension program.
5. Implement a measuring and monitoring program to demonstrate the adoption of key business analysis practice changes

2.1.1.2 Key Performance Indicators

As per the contract (variation deed made 16 March 2017), the program key performance indicators to be achieved by June 30, 2017 included:

- At least 50% of pastoralists (1,500) aware of the need to use business analysis to make informed decisions by 2017.
- At least 38% (995) of pastoral producers participating in the delivery activities by 2017.
- At least 65% (620) of participating producers making informed decisions to improve profitability as a result of their involvement with activities.
- At least 4 regional coordinators will be up-skilled to provide coordination for the project in accordance with the national guidelines and principles to achieve the project outcomes.

2.1.1.3 Delivery of objectives

To achieve the above outlined objectives (in 2.1.1.1) and key performance indicators (in 2.1.1.2), the National Coordinator was responsible for the delivery of

- A business plan,
- Business plan implementation, and
- Monitoring and evaluation

3 Methodology

3.1 National coordination

National Coordination was undertaken by Rural Directions Pty Ltd. The National Coordinator was responsible for all coordination, delivery and monitoring and evaluation of the project. National Coordination was supported by a project team including Project Advisory Panel, Regional Coordinators and subcontractors to deliver an Impact Evaluation. The following sections outline the methods adopted to deliver Pastoral Profit.

3.1.1 Project Personnel

Changes in project delivery personnel from Rural Directions have been documented including timelines and contribution to project milestone achievement (Table 1).

Table 1 Rural Directions Project Team – role, duration and milestones contributed to

Role	Name	Term	Milestones*
Project leadership	David Heinjus	July 2014 – Nov 2014	1 and 3
Project leadership	John Squires	Dec 2014 – July 2016	4, 5 and 6
National coordination, operations/delivery	Penelope Keynes	July 2014 – July 2016	1, 3, 4, 5 and 6
Combined role of Project leadership and National Coordination (operations/delivery)	Natasha Searle	Jul 2016 – June 2017	7, 8 and 9 (final report)

* Contract incorrectly listed Milestones. There was no milestone 2 listed in the contract. A total of 8 milestones were delivered.

Rural Directions undertook a recruitment process to fill positions on the Project Advisory Panel (PAP) and secure four state based Regional Coordinators.

The Project Advisory Board members were appointed to provide strategic direction for the project through consultation with the National Coordinator. The PAP included representation from pastoral sheep (meat and wool), beef cattle and advisory sectors.

The Regional Coordinators were appointed to implement the Pastoral Profit delivery model at a state level, reporting to the National Coordinator.

Working collaboratively with pastoralists through the PAP and Regional Coordinators to design activities that result in market pull, not push was important. This allowed a program to be designed to assist producers to improve resilience, confidence and profitability. Subcontractors were also appointed to undertake an external impact evaluation of the project.

Project executive included Program Managers from Meat & Livestock Australia and Australian Wool Innovation. During the project there was a change in Program Manager at AWI.

The team engaged in the project is provided in Table 2.

Table 2 Project Advisory Panel Members, Regional Coordinators and subcontractors engaged to undertake the Impact Evaluation

Role	Name	Organisation	Term [^]
Project Advisory Panel - Qld	David Counsell	Producer (Barcaldine)	12/14 – 05/17
Project Advisory Panel - Qld	Andrew Miller	Producer (Quilpie)	12/14 – 10/16
Project Advisory Panel - NSW	Greg Sawyer	Masters University Student and Wool Rep [#] (Cudal)	12/14 – 05/17
Project Advisory Panel – SA	Alexandra Morgan	Producer (Olary)	12/14 – 05/17
Project Advisory Panel - WA	Jason Hastie	Producer (Meekatharra)	12/14 – 05/17
Regional Coordinator - Qld	Heather Smith	Heather M Smith (Thallon)	04/15 – 05/17
Regional Coordinator - NSW	Mark Gardner	Vanguard Business Services (Dubbo)	05/15 – 05/17
Regional Coordinator - SA	Anne Collins	Rural Solutions SA (Port Augusta)	05/15 – 05/17
Regional Coordinator - WA	John Duff	AgVivo (Greenmount)	04/15 – 05/17
Impact Evaluation	Carina Calzoni	Clear Horizon Consulting	09/16 – 04/17
Impact Evaluation	John Young	Farming Systems Analysis Services	02/17 – 04/17

[^] Contracted to Rural Directions Pty Ltd via a subcontracting arrangement with approval from MLA and AWI

[#] While Greg Sawyer was employed by Australian Wool Network, he undertook this role as NSW PAP member independently

Queensland PAP member, Andrew Miller resigned in October 2016. Andrew recognised beyond October 2016 he would not be able to give the PAP role the attention he would have liked, so resigned from the role. Given Qld was represented by two PAP members and with only 6-7 months remaining for on ground delivery, a replacement PAP member was not sought.

See Appendix 1 for contact details of PAP and Regional Coordinators.

3.1.2 Project extension

The project had a delayed start due to ongoing business planning negotiations during 2014. After the current National Coordinator took over the project in July 2016, an opportunity was recognised to extend the delivery window for each state without impacting overall project completion date.

Delivery momentum was observed in each of the states and the PAP reinforced this observation during the annual meeting in November 2016. An extension of one month to the Regional Coordinator subcontractor agreements was made and this allowed an expansion of their delivery window in 2017 by several weeks.

This decision resulted in additional project delivery and positive project outcomes as a result, particularly for Qld and WA. In total, 22 events were delivered from January to April 2017. The project completion date remained the same (30 June 2017), however the final milestone due date for the National Coordination Final Report was varied from 1 May 2017 to 31 May 2017.

3.2 Business plan development and implementation

A business plan was developed in 2014 which was used to guide delivery of the project.

The business plan addressed:

1. The Key Performance Indicators and outlined the methodology and operations plan for the delivery of key project deliverables. This included identifying target market and allocation of resources.
2. A process for identifying, engaging and monitoring performance of project delivery
3. Implementation and monitoring of the effectiveness of a part user pays approach to program investment which included methodology for collaborating with additional investment partners
4. The recruitment process, and roles and responsibilities of Regional Coordinators and members of the Project Advisory Panel
5. A communications plan for the project
6. The monitoring and evaluation plan for the program
7. Risk management

See Appendix 2 for the Pastoral Profit Business Plan which was delivered in 2015 and Appendix 3 for the latest version, last updated by the outgoing National Coordinator, P Keynes July 2016.

The business plan was developed and was used to guide the project, however, as the project evolved, aspects of the business plan were adapted to meet the needs of the project. The business plan was not updated upon each change; however progress was noted within Milestone Reports and reflected in updated budgets. Known changes and adaptation of the business plan has been documented in the following sections, however in summary, these included:

- Reduction of the number of Regional Coordinators appointed
- Reduction in national coordination travel requirements
- Adaptation to the market research and needs analysis approach
- Adjustment to the case study development/communication and re-direction of funding into Impact Evaluation
- Reduction in number of nationally led, and development awareness activities (national webinars) and redirections into state based delivery of Category B/C events
- Review and adjustment to key performance indicators

To deliver against the business plan, an overview of the key methods adopted and implemented are as follows:

3.2.1 Key Performance Indicators

The project targeted pastoral sheep meat, wool and beef cattle enterprises in the southern rangelands. FutureBeef, an MLA initiative already existed in the northern rangelands, servicing the beef production zones. Pastoral Profit therefore focused on the southern rangelands.

Preliminary research was undertaken using data from the Australian Bureau of Statistics to estimate the number of businesses located within the target area. This information was cross referenced to data collected by Bestprac (AWI project) in 2013. However due to the number of assumptions that had to be made, the number of business in the target area required validation from experienced pastoralists. The Project Advisory Panel and Regional Coordinators reviewed and validated the KPIs and number of businesses in the target area. In consultation with MLA and AWI, minor adjustments were made to the KPIs in 2015 and early 2016.

Table 3 outlines the Pastoral Profit Key Performance Indicators for Awareness (Category A), Participation (Category B) and Practice Change (Category C). The Results section comments on success against these KPIs.

Table 3 Key Performance Indicators for Awareness, Participation and Practice Change as at 2017

	Key Performance Indicators		
	<i>Awareness (Category A)</i>	<i>Participation (Category B)</i>	<i>Practice Change (Category C)</i>
Qld	620	450	290
NSW	360	370	175
SA	370	250	155
WA	150	25	0
Total	<i>1500</i>	<i>995</i>	<i>620</i>

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

3.2.2 Engagement of the Project Advisory Panel

The Project Advisory Panel was developed to provide localised, strategic input. The Project Advisory Panel member's responsibilities included:

- monitoring project performance
- ensure the project was meeting pastoralist needs
- making continuous improvement recommendations to the Executive Committee
- Being advocates for the project.

The PAP was also expected to attend events where practical, participate in PAP meetings with the Executive Committee and any teleconferences planned (up to three per year). They were also expected to provide feedback, advice, and ideas in a timely many and highlight local or regional issues of relevance to the project.

The Project Advisory Panel was selected by a competitive recruitment process. Applicants were requested to apply, addressing the selection criteria outlined in the Terms of Reference. The Panel was to consist of a minimum of five and up to seven members.

Following recruitment, the PAP members were provided with a letter of offer and an induction package which outlined project background, and PAP roles and responsibilities.

The PAP was remunerated for their time at face to face meetings, via a daily sitting fee. Travel expenses (mileage, flights, accommodation and any other reasonable travel related costs) were also reimbursed.

Five people were recruited to act on the Project Advisory Panel (

Table 2). This included two PAP members for Qld, and one each from SA, NSW and WA. Four of the five PAP members completed the term of the project, while one PAP member resigned in October 2016. The Executive proceeded with the existing PAP, and did not recruit a replacement given the project was in its final 6 months of on ground, event delivery.

For more information, please refer to Appendix 2– Pastoral Profit Business Plan and see appendix 9 within.

3.2.3 Engagement of Regional Coordinators

Based on observations of declining local services, and input from the outgoing Bestprac Project Advisory Panel, the project initially aimed to engage 13-15 Regional Coordinators, taking a truly local approach to engagement and delivery within the pastoral zone. The business plan assumed there was a surplus of ‘untapped’ resources within the pastoral regions that could be engaged as local service providers and expertise (for example, skilled, and educated women who might be looking for a part time role within their region). It was assumed there would be local expertise which when trained for this project, could provide the services to deliver the objectives locally.

It was expected that the Regional Coordinators would be located within the pastoral zone. Previous experience in a similar role was not a pre-requisite as the project identified the need to develop capacity in the pastoral zone to effectively engage and meet the needs of producers.

The Regional Coordinators were selected by a competitive recruitment process. Applicants were requested to apply, addressing the selection criteria outlined in the Terms of Reference.

As the recruitment process progressed the true capability of the pastoral zone for the coordination roles was realised. It was recognised that that having 13-15 Regional Coordinators was not going to be possible or the most effective way of resourcing the project.

The recruitment process suggested that applicants could identify one or more areas (locations) for their management. The recruitment process didn’t yield the number of applicants expected and as a result the project team moved from a regional approach to a state based coordination approach, condensing the number of Regional Coordinators to 4 (one per state). This resulted in review of the Key Performance Indicators, budgets, and expectations given the reduced Regional Coordinator resources. One Regional Coordinator was contracted per State (

Table 2) and they were contracted to Rural Directions Pty Ltd (the National Coordinator).

Remuneration was based on a set daily rate, based on the Key Performance Indicators and associated responsibilities per state. The target number of producers to be engaged by the project varied from state to state, as did the coordination days allocated and therefore funding available for project delivery.

Regional Coordinator responsibilities were to:

- Perform a needs assessment / focus group meeting of local pastoral producers to seek input and inform the development of a regional activity plan
- Develop relationships with collaborators/investment partners
- Implement the approved activity plan, directing resources, and engaging a team of local Technical Deliverers
- Coordinate delivery opportunities for pastoralists in line with a regional activity plan and the Pastoral Profit delivery framework
- Implement monitoring and evaluation processes and associated reporting of project progress
- Foster a cost sharing culture
- Adopt project systems and processes for project delivery including the project style guide and branding for project and event promotion
- Contribute ideas for project case studies, and articles for MLA and AWI publications
- Attend Regional Coordinator professional development sessions
- Participate in Regional Coordinator meetings
- Be an advocate for the project and its outcomes

Regional Coordinators participated in capacity building sessions to assist them in implementing state based delivery of Pastoral Profit. Systems and processes were developed and provided to the Regional Coordinators to ensure consistency in approach. Professional Development sessions covered topics including running focus groups, developing activity plans, monitoring and evaluation, implementing a user pay model, engaging with Technical Deliverers, project systems/processes and communication guidelines/style guides and reporting.

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

3.2.4 Needs Assessment and Activity Plan Development

Regional Coordinators facilitated a needs assessment process through producer consultation and via face to face focus groups as practical. The purpose of the needs assessment was to introduce Pastoral Profit to a small group and to consult with them regarding the skills and knowledge gaps and the broad business needs which Pastoral Profit could address. The process would assess the needs across each of the key Pastoral Profit themes, and aim to understand the factors limiting pastoral business productivity and profitability. The process was used to identify opportunity for developing capacity and confidence in informed decision making.

It was also an opportunity for potential Technical Deliverers and collaborators to be identified, and barriers to participation defined.

Each state took a slightly different approach to inform their activity plans. In Queensland, the Regional Coordinator facilitated a session at each of the seven initial Pastoral Profit events, 'Focusing on the Future'. 94 participants contributed to the process to identify themes and a simple voting process prioritised the key areas of importance. Where needs were identified that didn't have a direct link with Pastoral Profit, these were communicated to NRM, Qld DAF and private providers for follow up. Business planning, understanding business position, assessing options, labour and time efficiency were high on the list of needs.

In NSW, the Regional Coordinator conducted a focus group with eight pastoralists, and included the NSW Project Advisory Panel member. The group identified the focus (topics) and style (culture) of the delivery of the program for NSW. This led to the development of 'clusters', a group orientated approach to facilitate change. With practice change key to the success of the program, the NSW program identified a model which could allow for a series of independent stand-alone events that could be linked, would be beneficial to facilitate practice change. The cluster model adopted the GROW coaching model principle (Goal, Reality, Options, Write it down). The participants of NSW Pastoral Profit clusters could engage in the activities that were most relevant to them (i.e. attend just one, or all), and new participants were welcome, as the cluster model was not a closed group model. The model created a network built on trust for information sharing and peer support. The NSW Regional Coordinator developed the activity plan around this concept with linkage to the key themes.

In South Australia, the Regional Coordinator conducted industry and pastoralist consultation via one on one discussion or face to face as practical. The Regional Coordinator engaged 15 pastoralists as part of this process. Further to this, the Regional Coordinator attended an event in Maree which attracted approximately 70 women from the northern pastoral region. A survey process was undertaken at this event to capture needs and gain insight into the limitations of certain delivery methods, in particular the internet.

Finally, in WA, the Regional Coordinator received input from the WA Project Advisory Panel member in addition to the three Rangelands Biosecurity Associations (RBAs) (Goldfields, Meekatharra and Carnarvon). The RBAs were identified for focus groups as their members and executive committees are made up of pastoralists. All three RBAs have direct access to all pastoralists. Other key collaborators (industry, government organisations and agribusiness) also provided insight to the program development, and went on to be actively involved in partnering with Pastoral Profit to deliver events during 2015 – 2017. The consultation process identified a delivery pathway for Pastoral Profit in WA, which would involve a series of awareness events (Category A), followed by specific skills and knowledge focused workshops (Category B). The awareness events delivered in 2015 were used to help inform refinement of the activity plan, by identifying key topics for delivery in future workshops. Location for delivery and price was also explored.

The needs assessment outcomes helped to guide the development and evolution of the activity plans by Regional Coordinators and corresponding investment model to attract partners and implement at least a part user pay model.

The activity plan aimed to address the planned events including linkage to Pastoral Profit themes, topics to be covered, key learning outcomes and expected practice change outcomes, deliverers, and collaborators. Activity plans were communicated to the National Coordinator as part of the quarterly reporting process.

Regional Coordinators had the flexibility to design locally relevant events, and it is acknowledged that seasonal impact, including impact of weather events and calendar competition are all factors which contribute to planning a program of activities to ensure effective uptake.

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

3.2.5 Implementation of the delivery model

The project aimed to build capacity through delivery of relevant knowledge, skill building and adoption activities to support the implementation of informed decisions about optimal allocation of resources. The delivery model for Pastoral Profit was designed to offer a learning pathway for participants and differential entry points depending on their need.

While an event based pathway was developed and implemented, the delivery model was flawed in that a specific impact model did not eventuate that clearly drove adoption and impact, with a method to track change.

3.2.5.1 Event categories/delivery pathways

The Pastoral Profit delivery model considered a learning pathway approach. The following section describes the Pastoral Profit learning and adoption category definitions. Ultimately the delivery model was designed to achieve the key outcome of developing resilient, confident and profitable mixed grazing businesses.

- **Pastoral Awareness activities (Category A)** – Category A awareness events aimed to introduce pastoral producers to the program concepts, identify areas of need and encourage their engagement with the project. These activities formed the initial stage of the learning pathway by seeking to engage producers in Pastoral Profit. The purpose of Category A events was to enable information sharing. It was expected that Pastoral Profit would ‘piggy back’ or add value to collaborative industry based, local events. Limited stand alone awareness activities were to be conducted. Examples include forums or expos.
- **Training activities (Category B)** – Category B activities focus on building knowledge, skills and confidence necessary to facilitate better business analysis and promote optimal allocation of resources. KASA change is defined as the measurable increase in *knowledge*, a positive change in *attitude*, an increase in *skills* and/or a change in someone’s *aspirations*. Category B activities used a range of face to face and online delivery methods. Examples include workshops
- **Implementation activities (Category C)** - Category C activities are complementary to the previous activities, and aim to provide groups of pastoralists with the skills and confidence to facilitate the integration of tools and concepts within their own businesses. These activities are focused on adoption and increasing the uptake of practice change to achieve

quantifiable increases to profitability and productivity. Activities would be conducted with small groups, over a series of linked events via a supported, coaching based approach.

- **Coaching and mentoring**- the project encouraged Technical Deliverers to offer participants coaching and mentoring either face to face or through an innovative delivery method to support implementation of learning. Coaching and mentoring arrangements would be at the discretion of the participants and service provider and were not financially supported by the project.
- **Training and professional development for Regional coordinators** – Regional Coordinators received face to face professional development to develop their capacity and capability to perform the roles and responsibilities of the project. It was identified at the start of the project that the Regional Coordinators to be engaged may not be from a professional service delivery background. The project acknowledged the value of building industry capability in the pastoral zone, which had been recognised as experiencing service provider shortages.

Inputs including the Project Advisory Panel, state based producer consultation sessions and focus groups supported delivery. Monitoring and evaluation data was used to inform progress and identify gaps in delivery.

It was expected that as the complexity and depth of learning opportunities, and value gained by participants increased, the contribution from producers would be greater, while the funding contribution from Pastoral Profit would reduce. For more on the investment model adopted, see Section 3.2.5.4.

3.2.5.2 Themes

Pastoral Profit defined five key themes for delivery with input from the Project Advisory Panel. Pastoral Profit events were mapped to these themes and components. Each event required individual development. The project could direct technical deliverers to tools offered by MLA and AWI, however there was limited curriculum available. This was a weakness, as it allowed for the scope of activities and content to be broad, rather than targeted to specific outcomes.

1. Strategy and goal setting

- Assess the current position of your business
- Establish business goals
- Business objectives and plans
- Determine options for improvement
- Document the plan
- Implement, monitor and review
- Succession Planning

2. Financial and enterprise management

- Understanding key profit drivers
- Compare your business performance against industry benchmarks
- Cost of Production
- Enterprise analysis
- Managing finances
 - Cash flow

- Creating systems for management
- Budgeting
- Cost Control
- Managing debt
- Financial decision making
- Evaluating investments
- Monitoring systems and processes to enable successful business management

3. Marketing

- Decide what product you can produce most profitably
- Decide on the most profitable selling method
- Respond to short and long term price and market signals
- Evaluate market opportunities
- Reviewing market access
- Reviewing marketing logistics

4. People Management

- Understanding and creating team member roles and responsibilities
- Effective team communication
- Business policies
- Standard Operating Procedures
- Understanding barriers to adoption and change
- Work life balance
- Managing your workforce
- Work, Health and Safety
- Succession Planning

5. Risk Management

- Risk identification and assessment
 - Seasonal/climate risk management- timely decision making
 - Financial- preparing for hard times, managing cash flow
 - People- workforce risk, work health and safety
 - Resources- Grazing and Land including Management Grazing management strategies that convert pastures into maximum production
- Decision making to offset risks
- Plan to manage risk

3.2.5.3 Promotion/participant engagement

The project was known and marketed as 'Pastoral Profit'. Pastoral Profit developed a brand and associated style guide to assist in developing a presence in the pastoral zone. Branding was developed, including a logo which incorporated the AWI and MLA logos. Templates for flyers and Power Point presentations were also developed and made available to Regional Coordinators.

A banner was designed and each state was provided with a pull up banner for use at Pastoral Profit events. Regional Coordinators were provided with business cards and name badges to associate them with Pastoral Profit.

A website domain was registered for Pastoral Profit to act as a short cut to reach the Pastoral Profit content which was embedded within MLA website. By creating a domain, it provided a simpler signpost for producers – www.pastoralprofit.com.au. This domain was closed at completion of the Regional Coordination contracts (1 May 2017). The content remains on the MLA website at: <https://www.mla.com.au/extension-training-and-tools/pastoral-profit/>. The project didn't have a specific communications role nor funding to this, so the webpage was simply a landing page for information regarding:

- Upcoming events - producers were able to search for events via the MLA event calendar
- Webinar recordings
- A producer case study
- Contact details for the National Coordinator and Regional Coordinators

Pastoral Profit events were also listed on the AWI events calendar.

Regional Coordinators communicated Pastoral Profit opportunities to their networks, and a contact list was established and built upon as the project progressed following initial awareness events. If required, Regional Coordinators would be supported by MLA CRM system to promote specific events via email campaigns primarily.

To support awareness development, in 2015, Pastoral Profit developed and delivered three webinars. These webinars were delivered via the National Coordinator and aimed to build awareness of Pastoral Profit and create interest in the program. The webinars were designed to set the tone of the program, being focused on developing business management capability. The webinars engaged experienced professionals from within the sector, and linked with producer contribution throughout. These webinars also promoted the opportunities that would be available via the program.

The project aimed to develop a series of case studies to demonstrate the benefit and impact of participation in Pastoral Profit, to provide examples of practice change and adoption of business management skills and knowledge gained. While a small number of articles were developed and published by local media and MLA and AWI, the case studies were abandoned and the budget was reinvested into the Impact Evaluation which incorporated a case study process to validate and explore project impact.

At completion of the project, an email campaign was implemented communicating opportunities available to past participants of Pastoral Profit via MLA and AWI.

For a full overview of communication tools developed and implemented, see Appendix 15. Please also see Appendix 5 to Appendix 9 for Regional Coordinator Final Reports and associated state based communication tools implemented.

3.2.5.4 Investment model

Pastoral Profit planned to operate as per the following investment model:

- Pastoral Profit would support activities which deliver upon the project objectives and aligned to the defined Pastoral Profit themes to deliver a program of regionally based extension activities that were adapted to the needs of pastoralists to support the implementation of informed decisions about optimal allocation of resources that would ultimately result in improved resilience, confidence and profitability.
- Pastoral Profit would not subsidise pre-existing groups/activities nor would it support one-on-one service delivery
- Pastoral Profit may direct support towards:
 - Technical Deliverers which are engaged by Pastoral Profit to cover a key topic which aligns to Pastoral Profit’s objectives
 - Events which are designed to develop awareness, skills, knowledge and/or confidence and/or promote implementation of whole of business principles, and informed decision making.
 - Costs of delivering Pastoral Profit events including delivery, and associated delivery expenses
- Pastoral Profit may partner with other organisations to leverage funds to support delivery, although it is recommended that participants make cash contribution. The desired funding ratios for Pastoral Profit investment are provided in Table 4.

Table 4 Pastoral Profit investment ratios. These ratios exclude the costs associated with the Regional Coordination role.

	Category A	Category B	Category C	Coaching/mentoring
Pastoral Profit investment	Up to 100%	Up to 50%	Up to 20%	Nil
Partner or Producer/Participant investment		At least 50%	At least 80%	100%

Success in achieving the investment ratios will be explored in the discussion.

3.2.6 Engagement of delivery partners and collaborators

3.2.6.1 Technical deliverers

Technical Deliverers were engaged at a state level by Regional Coordinators to deliver activities and outcomes as developed in the state based activity plans.

The National Business Plan outlined a process for engaging Technical Deliverers, however as the project evolved the Regional Coordinators took a more active role in engagement and management of technical delivery. The National Coordinator provided guidance and support to Regional Coordinators to ensure a fit between delivery and desired learning outcomes.

Technical Deliverers were engaged to develop and deliver events based on at least one of the Pastoral Profit themes. The event style was based on the delivery pathway of awareness, knowledge and skills development through to implementation activities. Technical Deliverers were also engaged in the implementation of monitoring and evaluation processes.

Regional Coordinators developed a network to identify Technical Deliverers locally, state wide and from interstate (if required) to meet the needs of the event they had scoped for their respective activity plans.

Regional Coordinators took an active role in promoting and managing the logistics and administration of events. Technical deliverers, in most cases, developed and delivered the content and monitoring and evaluation requirements, while the Regional Coordinator promoted the events, took registrations, handled invoicing and in some cases facilitated the event in person.

The project identified that as a result of declining services in the pastoral zone, that it would not always be possible to find technical deliverers which were based locally or within the region. The project recognised the need to foster capacity development for technical deliverers who were new to delivery in the pastoral zone. This included engagement of technical deliverers who may not have delivered to a group in the pastoral zone before. The Regional Coordinators worked with these technical delivers to ensure the content was delivered within a pastoral context.

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

3.2.6.2 Collaborators

The business plan identified a need for co-investment, and regional collaboration. Collaboration could exist through co-investment or sponsorship via cash contribution, providing technical delivery and/or communications support as an in-kind contribution.

The aim of a collaborative approach was to develop a self sustaining model to exist following completion of Pastoral Profit in 2017.

Early in the project, the National Coordinator initiated some discussions with Agribusiness (banking, resellers, rural services, wool buyers) and Natural Resource Management Boards/Local Land Services in each of the states and Rural Services.

Early interest included that of Elders and Landmark, both of which indicated they were unable to provide cash contribution, suggested their staff may be able to provide Technical Deliverer capabilities. This was communicated to Regional Coordinators for follow up on a regional basis.

ANZ, via Agribusiness Manager, Stephen Radeski expressed interest in collaborating with Pastoral Profit through the provision of resources to support Technical Delivery, and was also happy to subsidise client investment into activities. This opportunity was also communicated to the Regional Coordinators. South Australia specifically invited Stephen to be involved in five separate events, however the invitation was declined due to being unavailable. It is unknown whether the co-investment model was implemented by ANZ to support participation.

Later in the project, greater traction was realised through the efforts of Regional Coordinators locally, particularly with Natural Resource Management organisations/Local Lands Services. The Regional Coordinators took an active role to identify and develop partnerships through developing relationships or applying for co-funding locally where a number of partnerships (short term) were established.

A challenge for the collaboration model was that there was not a clear value proposition evident for collaborators to invest long term, nor were the funding splits/investment guidelines (Table 4) outlined by Pastoral Profit likely to create an ongoing self-sustaining model. In addition, the project did not support content development. There was budget allocation for covering time and delivery costs, however without content, or a specific product or framework, the value proposition was limited.

There was also a conflict between remaining impartial, so as not to offer brand endorsement or exclusivity to any particular business or organisation and collaboration at both a national and local level. Striking this balance often meant opportunities didn't progress unless a partnership was established with a like organisation/project (industry good focus) which had an extension focus and similar goals.

While these barriers to longer term investment and collaboration were experienced there was local collaboration and sponsorship which helped get events up and running within each state (see section 4.3.3. Little traction however was realised at the national level.

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

3.2.7 Monitoring and evaluation

A monitoring and evaluation (M&E) plan was developed for Pastoral Profit, including the following key evaluation questions.

- Which pastoral producers has the program engaged and what proportion of pastoral mixed grazing industry does this represent?
- What impact and benefits have resulted from informed decision making by pastoralists?
- What impact and benefits has the project provided to the pastoral industry's service provision?
- How have program activities supported change in business decision making?
- How does co-investment and co-delivery impact on the program?
- Are we on track to or did we deliver the program as planned?

Monitoring and Evaluation requirements were developed to answer these questions during on ground project delivery. In addition to this, subcontractors were also engaged to assess the impact of Pastoral Profit and undertake an associated economic analysis (Table 2).

The main data collection and reporting methods adopted across the project for the purposes of monitoring and evaluation included:

- Pre and Post event evaluation and associated feedback at each event
- Impact evaluation, conducted by Clear Horizon
- Project Advisory Panel feedback
- Regional Coordinator feedback
- Producer consultation and focus groups
- Milestone reporting (Regional Coordination and National Coordination)

- Communications/articles

The Monitoring and Evaluation data was collected by Regional Coordinators from Technical Deliverers, and collated for analysis by the National Coordinator. A rolling evaluation report was delivered on a regular basis to assess progress against Key Performance Indicators.

Specifically, the evaluation process implemented and integrated into Pastoral Profit events allowed for basic demographic and satisfaction data to be collected, through to change in knowledge and confidence and indicators of practice change intention, or actual practice change. This data was used by the National Coordinator to monitor progress throughout the project, and report against key performance indicators. It was also used to support the Impact Evaluation undertaken by Clear Horizon Consulting, with input from Farming System Analysis Services for the economic analysis.

Pastoral Profit events were categorised as either Category A, B or C as described in section 3.2.5.1. At an event level, there were three types of evaluation; Category A evaluation, Category B evaluation, Category C evaluation. Simplistically, Category A evaluation focused on measuring participation, Category B evaluation focused on measuring KASA changes and Category C evaluation measured application of practices and impact of changes, coupled with KASA changes.

The Impact Evaluation was undertaken during the project contracted period. This was recommended by MLA and AWI, as based on history, project evaluation can sometimes be overlooked if not undertaken during the project delivery period. Limitations of this are noted. Given the focus on practice change, and the influence of how 'improved decision making' can affect longer term productivity and profitability, undertaking the impact evaluation later would have been more suitable. However, early indications from the Impact Evaluation do provide valuable insights into the successes of the project, and also opportunities for improvement to the delivery model.

The Impact evaluation analysed data from events delivered from June 2015 to December 2016 inclusive. This included 84 events. Given the broad reach (including participants from outside of the pastoral zone) of the 4 webinars delivered due to the electronic nature of this form of delivery, this data was excluded. 22 events (20% of Pastoral Profit events) were delivered by Pastoral Profit during 2017 which were not included in the Impact Evaluation.

See Appendix 10 for how Category A, B and C evaluation was measured.

See Appendix 11 for the Impact Evaluation final report which includes the methodology adopted, results of the evaluation and recommendations.

4 Results

4.1 Overview of program success

110 Pastoral Profit activities were been delivered to 2133 participants between July 2014 to April 2017. Of the 110 events, 15 were Category A events, 92 were Category B events, and three were Category C events (See the event log, Appendix 12).

The complete project evaluation report is provided in Appendix 10 which summarises the key results achieved by the project.

The national Key Performance Indicators for Pastoral Profit were exceeded (Table 5).

Table 5 Progress against National KPIs as at project completion, May 2017

	KPI	Achieved	% achieved compared to KPI
Category A	1500	2133	142%
Category B	995	1240	125%
Category C	620	630	102%

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports and Appendix 10 – Summary Evaluation Report (rolling data July 2014 – April 2017) which also outlines how KPIs were measured for each Category.

The most commonly delivered Pastoral Profit theme was Financial and Enterprise Management, followed by Strategy and Goal Setting, Risk Management, People Management and Marketing.

The national satisfaction for events was high, achieving an average score of 8.7 out of 10. The national average value rating (based on value of the event to the participants business) was 8.4 out of 10. These satisfaction and value scores are in line with those achieved by long term, comparable, extension programs, Making More from Sheep (an initiative of MLA and AWI) and More Beef from Pastures (an initiative of MLA). 82% of Pastoral Profit participants nationally indicated they would be willing to recommend the event they attended.

Producer knowledge and skill improvement was measured at Category B and C activities. This was captured with pre and post activity knowledge and skills based multiple choice questions which were based on key learning outcomes presented to participants. The average pre activity knowledge score was 50% correct, which increased to an average score of 76% when assessed post the activity. This shows that on average, a positive change in knowledge and skills occurred as a result of the events delivered by Pastoral Profit. The state breakdown of pre and post average scores is provided in Figure 2.

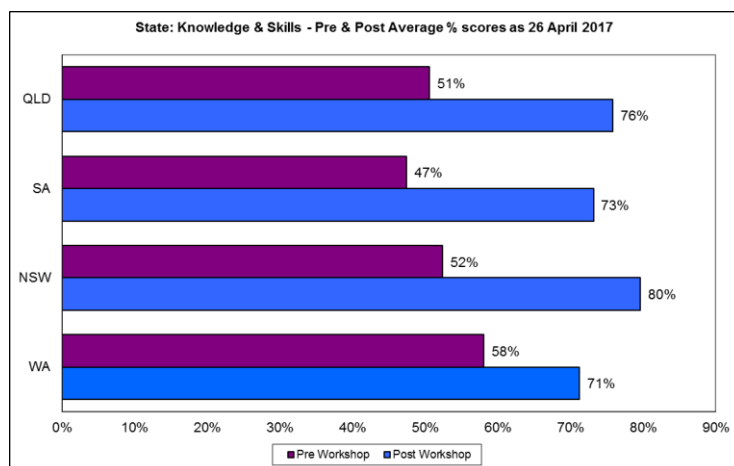


Figure 2 Percentage of correct scores for pre and post workshop knowledge and skills audits by state

Participants also assessed their confidence in performing and implementing a key skill that was that was addressed in the event. This was then reassessed at the end, to identify any change in confidence which could be attributed to their learnings at the event they participated in. The

average pre confidence score was 5.2 and post 7.1. The distribution of the frequency of pre and post scores is outlined in Figure 3.

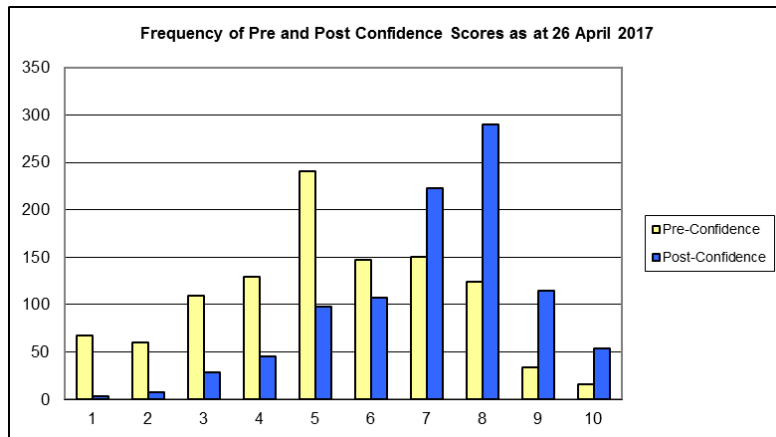


Figure 3 Frequency of pre and post confidence scores (rating out of 10 where 1 is low confidence and 10 is high confidence)

The high satisfaction and value scores, and the consistent positive shift in knowledge and confidence suggested that the events delivered by Pastoral Profit were meeting the needs of producers.

4.1.1 Practice Change

The following section outlines practice change intent and actual practice change recorded by participants as part of post event evaluation. This data was gathered directly following completion of the event, requiring participants to recall learning and assess value (on the spot), and identify likely action for implementation. This data coupled with the results of the Impact Evaluation undertaken by Clear Horizon which was investigating practice change (intent and actual) from over a longer period, where producers would have had the opportunity to reflect further and make additional change or modify plans for instance. The two processes combined provide an indication of the value of the investment made by the industry.

4.1.1.1 Intent to Change Practice

60% of participants (n=885) who completed an evaluation form, post event, indicated their intent to change a management practice as a result of attending a Pastoral Profit event, of which 85% (n=752) of that group indicated what the change would be. Examples of changes documented by participants in their evaluation form include:

- Develop a business plan
- Make a plan to reduce debt
- Take more time to crunch numbers when making decisions
- Time management
- Look at profitability of enterprises closely
- In short term, redo cashflow and set up a restocking plan
- Work to better understand returns on investment and make better investment decisions
- Reading into grids more and the feedback sheets relating to our livestock produced and sold
- Set goals for succession and retirement planning
- Better data management
- More effective communication with employees
- Weekly meetings
- Include next generation in planning and budgeting

- More budgeting particularly when buying and selling stock
- More planning
- Use planning charts to determine grazing days
- Review business structures
- Seek advice from consultants/advisors
- Work on my communication with family and others
- Use tools such as excel to do budgets, livestock inventory, record keeping
- Refine marketing plan
- Objective assessment of our business
- Benchmarking
- Update policies
- Manage ground cover better
- Buy better bulls based on selection using EBVs
- Adjust joining time
- Remove not performing cows/ewes
- Better planning for day and week – time management
- Prioritisation
- Improve my health and wellbeing
- Look into value adding

More examples can be found in Appendix 13.

5% of producers (n=77) indicated that they had no intention to change, of which 57% of that group (n=44) gave a reason why not. 17% (n=256) of participants were unsure if they would make a change, and of that group 48% of them (n=123) gave a reason why. These reasons were either:

- Already doing
- Not a producer
- Other

17% (n=259) of participants who completed an evaluation form did not provide a response to the question about intent to change, leaving it blank.

4.1.1.2 Actual Practice Change

Of the participants who completed an evaluation form, 195 participants nominated that they have made a change or changes in their business as a result of attending one or more Pastoral Profit events. Of this group, 123 nominated the change or changes they have made. 55 participants noted that they were unsure if they had made a change.

The majority of changes were attributed to the Pastoral Profit theme ‘financial and enterprise management’ followed by ‘strategy and goal setting’ and ‘people management’.

Examples of changes documented by participants include:

- Undertaking Cost of Production
- More detailed record keeping
- Refined bookkeeping structure
- Sent cattle on agistment
- Undertaking benchmarking
- Strategic planning
- Had a discussion with my bank
- Tightened up breeder joining window
- Have used learnings to understand our financials better
- Involving our family more now
- Partial budgeting
- Better time management
- Started to improved our existing business systems
- Looking at value adding – built a webpage, looking into advertising, and developing brochures for our product
- Implemented family meetings
- Bull selection based on EBVs
- Better communication

- Business planning
- Engaged a consultant to assist with succession plan

Actual implementation and impact is explored further in the Impact Evaluation undertaken. See Appendix 11 for more information.

309 participants indicated they have not made a change, with 204 providing a reason. Reasons for not making a change following participation in a Pastoral Profit event included:

- At the time of answering the question, this was the ‘first time attending’ a Pastoral Profit event*, so the question was not relevant to them
- ‘Not a producer’* - service providers/industry specialists and students also participated in Pastoral Profit events
- ‘Already doing’*
- Other* - where participants indicated “Other”, the following responses were collected
 - ‘Student’
 - ‘Not the boss’
 - ‘Tried to implement, but couldn’t get all involved to agree’
 - ‘Looked at EU but made decision not to implement’
 - ‘Not in charge of financials yet’
 - ‘Not in business for myself yet’
 - ‘Time limitations’
 - ‘Time poor – new baby’
 - ‘Not yet able to implement the changes required’
 - ‘Not yet, no livestock back yet’
 - ‘I’m an employee’
 - ‘Lots of ideas are presented and I’m not sure what I’ve implemented specific to workshops’
 - ‘Still gathering ideas and information’

* Participants were provided with the options of ‘first time attending’, ‘already doing’, ‘not a producer’ and ‘other’.

For a short period of time, actual practice change data was not captured at all Category B/C events delivered in all states. This was a result of Regional Coordinators editing M&E forms, removing a key section, and therefore not capturing practice change data. This was a missed opportunity to track practice change and impact. This was recognised, and overcome at the changeover of National Coordinators in August 2016. From this time, forms as per the evaluation guidelines were utilised by all Regional Coordinators and actual practice change questions were reinstated.

4.2 Program reach

4.2.1 Target market

Pastoral Profit reached 2133 participants from July 2014 – April 2017. This is not 2133 unique participants, rather the total number of people who attended a Pastoral Profit event. Some people participated in more than one event over the duration of the program. This was the goal, given

Pastoral Profits aim to offer a pathway for capacity development. The first activities were delivered in June 2015.

Pastoral Profit aimed to reach medium (7500-15,000 DSE) and large family and corporate mixed pastoral businesses (>15,000 DSE). Pastoral Profit reached medium sized cattle enterprises and small to medium sized sheep enterprises. For state by state results, see Appendix 1. The median herd size was 925 head, with the average herd size 1962 head. A total of 1,656,325 cattle (total cattle) were recorded by Pastoral Profit participants. This data was contributed by 42% of participants. 58% of participants did not provide cattle herd data which may have included participants which do not run a cattle enterprise, or those that do didn't provide data.

The median breeding cow herd size nationally was 500 (7,500 DSE (based on one cow being 15 DSE)), while the average number of breeding cows was 1062 (15,930 DSE (based on one cow being 15 DSE)).

A similar approach was taken to capture sheep flock size. 1,896,061 breeding ewes were recorded by participants nationally. This data was contributed by 30% of total participants who completed an evaluation form. 70% of participants did not provide breeding ewe data, leaving this blank. The median ewe flock was 3000 (5400 DSE, where one ewe is 1.8DSE) and the average ewe flock was 3344 (6019 DSE, where one ewe is 1.8DSE).

The median sheep flock (total flock size) was 4500 (average was 5963), median lambs sold was 1800 (average 2576) and median number of bales of wool sold was 150 (average 182).

Total wool bales sold listed by participants was 79,718. This data was contributed by 22% of participants who contributed feedback in the evaluation form.

These results include all data contributed by participants. That is, numerous participants attended more than one Pastoral Profit event, and multiple members of the one business may have attended the same event, therefore skewing the data.

At each event, participants were asked to outline their property size (total area managed). This data demonstrates the area influenced by Pastoral Profit. However, the results include all data contributed by participants. That is, numerous participants attended more than one Pastoral Profit event, and multiple members of the one business may have attended the same event, therefore, assumptions based on these results should be made cautiously. The project had no way of identifying individuals to remove duplicate demographic data such as this.

Of the 1477 evaluation forms collected, 71% of participants contributed property size data. The median property size was 25,000 hectares, while the average property size was 418,329 hectares (Appendix 10). Figure 4 demonstrates the frequency of the range of property size.

Western Australian properties are significantly larger compared to those in the southern rangelands of Qld, NSW and SA, and therefore skewed the average data. During the life of the project, Pastoral Profit influenced 4,438,467 square kilometres, however, confidence in this figure is low given how the data was collected.

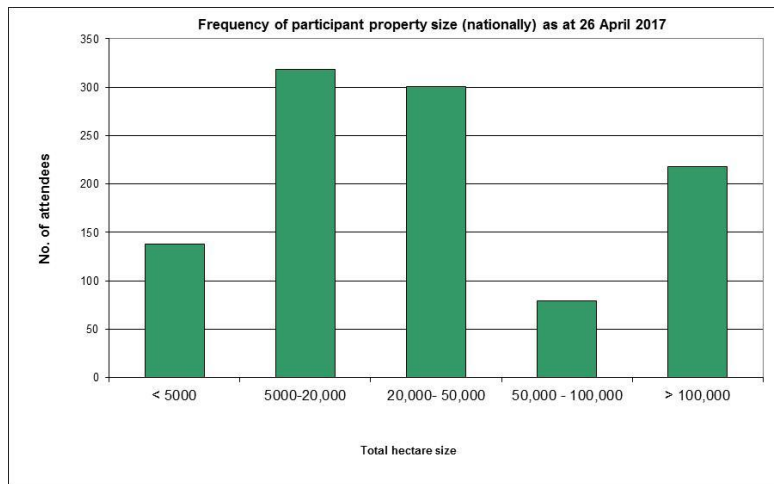


Figure 4 Frequency of participant property size (ha) as at 26 April 2017.

Pastoral Profit delivered 110 events across 38 unique locations plus via online platforms, demonstrating a good spread of activity across the pastoral zone (Figure 5). Regional Coordinators chose to return to some locations multiple times due to the services provided in that location to hold events, and often these locations acted as service centres for the target groups so were a practical option for reaching pastoralists.

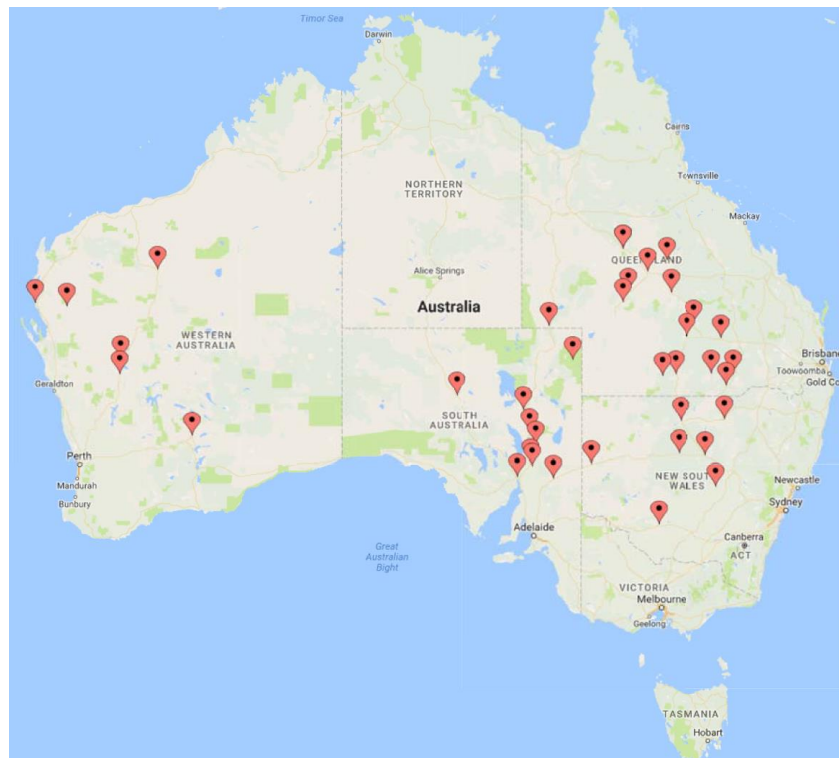


Figure 5 Of the 110 events delivered, Pastoral Profit face to face events were delivered in 38 unique locations

4.2.2 Technical deliverers

Nationally, Pastoral Profit engaged 55 Technical Deliverers for the delivery of Pastoral Profit events. An event is defined as a session delivered at a forum, where Pastoral Profit may have funded one of

the Technical Deliverers as a speaker through to a more intensive workshop or implementation activity.

	Number of unique Technical Deliverers engaged
Qld	22
NSW	11
SA	16
WA	6
<i>Total</i>	<i>55</i>

A number of technical deliverers were engaged more than once. In some cases a Technical Deliverer was engaged to deliver the same event across multiple locations, leveraging the investment.

In NSW, the NSW Regional Coordinator delivered content at 23 events (79%), as the primary deliverer. 10 of these events included other presenters who also delivered content at the event with the Regional Coordinator. The SA, WA and Qld Regional Coordinators did not undertake any technical content delivery.

Pastoral Profit aimed to upskill local Technical Deliverers, however this was a challenge for the project given the lack of services located locally within the pastoral zone. The project also experienced significant delays at start up and the first events were not delivered until July 2015, 12 months after the project began. Therefore, the delivery window had tightened for Regional Coordinators to plan and implement events to begin delivering value into the zone for producer engagement. As a result, it was more common for Regional Coordinators to source expertise from outside of the region. Balancing cost vs reward was also a key consideration for Regional Coordinators when engaging and investing in Technical Deliverers for event delivery.

Regional Coordinators noted that a number of Technical Deliverers engaged in Pastoral Profit were working in the pastoral zone for the first time. Pastoral Profit allowed for opportunities for these Technical Deliverers to expand their capabilities into the pastoral zone. Pastoral Profit also assisted in this, by supporting the deliverers in contextualising their content for their audience. This introduced opportunities into the regions which were not available locally.

A small number of Technical Deliverers (which can not be quantified) have gone on to provide one on one consulting/coaching services as a fee for service model to Pastoral Profit participants which is a positive outcome of the program. The Impact Evaluation notes this outcome too. For example, the South Australian Regional Coordinator has noted that approximately 10 businesses engaged a consultant as a follow on from their involvement in a Pastoral Profit event. Services that the pastoralists have engaged a consultant for include support with developing a succession plan, developing capital expenditure plans (such as property purchase), review of business structures and general financial planning.

For more information by state, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

See Appendix 14 for Technical Deliverer contact details for utilisation in future MLA and AWI programs - *confidential*

4.2.3 Collaborators

While collaboration didn't achieve the development of a self sustaining model, the value of collaboration was realised throughout the project. Collaboration offset the cost to many events, which allowed producers to participate at a reduced, out of pocket cost to them. Given many other extension programs/events were being offered in the pastoral zone by other providers at low or no cost, this was an ongoing challenge for the Regional Coordinators in event design and delivery.

There was evidence that collaboration in some cases also allowed for dual outcomes to be achieved rather than creating competition, and saturation of like products in the market.

Early in the project, Regional Coordinators also took the opportunity to collaborate with delivery organisations running awareness (category A) style events. This resulted in low cost engagement by Pastoral Profit that had the potential to reach many producers. This created a pathway to introduce producers to Pastoral Profit, and the project offering for the coming delivery period.

For example, in NSW, Pastoral Profit partnered with Central West Land Services to deliver a forum in Nyngan attracting over 80 participants. In South Australia, Pastoral Profit partnered with South Australia Arid Lands NRM to deliver a forum at Hawker and Coober Pedy. Pastoral Profit also partnered with More Beef from Pastures to deliver forums in Cradock and Blinman.

In Western Australia, Pastoral Profit delivered three major awareness activities. 'Innovation expos' were delivered in collaboration with a number of state based departments, and Agribusiness.

State based grants were also accessed by some Regional Coordinators. This assisted in offsetting the cost to producers and Pastoral Profit in offering opportunities. For example, in NSW, a Government program offered by the NSW Rural Assistance Authority was accessed to subsidise the cost of benchmarking for one group. Western Local Land Services also contributed via co-investment, reducing the producer contribution and potentially providing a product and opportunity within reach of pastoralists. Pastoral Profit assisted in developing the delivery model with the technical deliverer, and supported the follow up group activity.

In Western Australia, collaboration was achieved with Rangelands Biosecurity Associations, Rangeland NRM and the Development Commission. It was estimated by the Western Australian Regional Coordinator that the value of co-investment/collaboration of cash and in-kind was at least \$250,000. While this is an estimate, it demonstrates the leverage Pastoral Profit WA was able to achieve, operating in a challenging environment. Cost of travel given the scale of the southern pastoral region is also significant.

In South Australia, cash contribution via collaborators was estimated to be \$52,760, in NSW it was \$23,800 (cash), and in Queensland it was \$33,692 (cash). Regional Coordinators in SA, NSW and Qld also acknowledged the in-kind contribution that supported the delivery of the programs within each state. For example, for Qld, the Regional Coordinator estimated 66 days was provided to the project as in-kind.

Examples of collaboration was evident at all levels of delivery (Category A, B and C).

For more information regarding collaboration, refer to Appendix 5 to Appendix 9 for Regional Coordination Final Reports.

4.3 Program impact

Clear Horizon Consulting was contracted to conduct an impact evaluation of the Pastoral Profit project. The aim of the evaluation was to understand the impact that Pastoral Profit has had on business practices and whether any resulting changes to those business practices have improved pastoral business productivity and profitability. The evaluation was also interested in understanding the drivers or practice change. A benefit cost analysis was also carried out by Farming Systems Analysis Service to determine the project return on investment. Farming Systems Analysis Service was engaged as Clear Horizon did not have an economist on their team with capabilities in undertaking this economic analysis.

The impact evaluation investigated the delivery period from June 2015 – December 2016 inclusive, which included delivery of 84 events (not including webinars). This was a limitation of the evaluation approach as 22 events that were delivered from January – April 2017 were not included in the analysis. As a result, the evaluation does not communicate the outcomes achieved from all events delivered, and due to the timing of the delivery of the evaluation, it is not possible to capture the entire impact resulting from the project. The timing of the evaluation (being delivered within the project period (2014-2017) meant that some participants involved in the evaluation had only recently attended an event and had not had the time to implement planned practice changes, thereby limiting the opportunity to capture the full impact of the project or some of the changes would require a longer period to see the consequences of the change.

The impact evaluation period was timed to fit within the period the project was contracted. Outside of this period Rural Directions Pty Ltd carries no responsibility to demonstrate project impact.

Overall, Clear Horizon found that participants had a positive attitude towards the extension activities that were delivered, and the majority of participants identified an improvement in their business management skills and knowledge, and gained greater confidence and clarity. Clear Horizon found that through the program, more informed business decisions and practices have been implemented, particularly in the areas of financial literacy, benchmarking and succession planning.

4.3.1 Impact evaluation limitations

Limitations with the survey process implemented by Clear Horizon, and the results achieved were observed. The impact evaluation survey was developed based on the themes identified during the phone interviews. This skewed the themes and types of changes producers nominated. During the phone interviews, actual change, plans for change and barriers were explored. Clear Horizon categorised these changes into key areas and linked them to the Pastoral Profit themes. The survey (electronic delivery) restricted responses to these categories of changes, so survey participants were led to select changes based on a 'forced choice' approach, with the option of selecting 'other' – but details for why 'other' was selected were not gathered. This limited the breadth and depth of responses which could have been achieved to truly understand the changes made, and to ascertain the associated impact.

It could also be assumed from the impact evaluation results and participant responses that participants did not fully understand why they made the change or the impact on their profitability or productivity. That is, they had not articulated the outcome they expected or have seen to date. It appears producers can identify what they did, but it's not clear there is depth of understanding why and how they see the changes as linking to or driving what particular area of productivity or profitability (i.e. increased income vs lower costs).

This issue is also linked to the evaluation being undertaken while the program was still being delivered, where participants could continue to engage in new/ongoing activities, so participants could have been identified at being at different points in their implementation of learnings.

The other limitation of doing the evaluation while the project is underway is that the impact on profitability or productivity can't be quantified or may not have been realised.

Had the evaluation been undertaken at a later date – a year or two following completion of the project, different outcomes may have been realised. However, the ability to attribute the changes to Pastoral Profit could become diluted.

Of those pastoralists surveyed who had not implemented changes, the most noted reasons were:

- The event/s had reinforced practices they already undertake (n=9)
- They were not in a position to make changes (n=5)
- Lack of finances to implement change (n=4)
- They were still contemplating the change (n=4)

4.3.2 Actual practice change

Clear Horizon reported that of the surveyed participants, (n=45), 71% of them had implemented new, or improved upon one of more business practices as a result of their involvement in Pastoral Profit.

Actual practice change findings from the survey were aligned with the Pastoral Profit themes. The top 2 changes per theme are summarised below (full details provided in Appendix 11):

- **Strategy and goal setting:**
 1. Clarifying business goals/priorities
 2. Seeking professional advice

'We have set goals, we had a family forum and we have monthly meetings' – NSW pastoralist
- **Financial and enterprise management:**

Financial:

 1. Financial literacy
 2. Seeking professional advice

‘We went and sought help from a financial advisory independently to get more tailored and detailed help. This helped us treat our business more as a business and less as a lifestyle’ – Qld pastoralist

Enterprise

1. Emphasis on livestock nutrition
2. Livestock genetics

While Pastoral Profit didn’t directly address production orientation topics, it is recognised that enterprise management and production issues do drive productivity and profitability. A focus on genetics and nutrition for reproduction and increasing survival rates and managing stocking rates are positive enterprise management outcomes for Pastoral Profit.

- **Risk Management:**
 1. Seeking additional information to assist decision making
 2. Seeking professional advice

Changes documented through the surveys including use of market information more effectively and seeking professional advice to review or develop wills.

- **People Management**
 1. Succession planning and retirement planning
 2. Improved business meetings

‘We needed to do succession planning, so that has been a big push. It’s all come along at the right time (Pastoral Profit events with succession and business focus). I take my (adult) children along because I can see the value of the activities’ – SA pastoralist

‘We are now having family meetings which are a direct result of the workshops’ – NSW pastoralist

- **Marketing**
 1. Diversification
 2. Changes to marketing

4.3.3 Impact of change

4.3.3.1 Impact of change in the short term

In the short term, participants generally felt that changes made would have a small or medium impact to profitability and productivity and were in the areas of animal nutrition, diversification and grazing management. At the same time, producers also indicated it was too soon for the impacts on profitability and productivity to be fully realised.

‘I can’t really tell until September when there are calves on the ground. Things take time’ –Qld pastoralist

Some producers also indicated that it would be difficult to assess whether the changes to productivity and profitability were due to the changes they had made as direct result of Pastoral Profit, or due to external factors such as a favourable season or high commodity prices.

'It takes more than 12 months to see a change. We have had good calving rates over the last 12 months but it is difficult to tell if this is because of genetic selection or because of a good season' – SA pastoralist.

4.3.3.2 Impact of change in the longer term

Changes that would have a medium to large impact on their profitability and productivity in the longer term were identified in the areas of livestock selection, improved land management and improved financial management.

'I think it will have a compounding impact into the future. As it's only been 12 months, I think these small changes will result in a big impact down the track' – Qld pastoralist

Producer's ability to implement changes were impacted due to factors including wild dog predation, lack of labour, impact of poor seasons, and cost.

4.3.3.3 Social and environmental benefits

A large number of producers identified social and environmental benefits of their involvement in Pastoral Profit. The social benefits including improved communication, relationships and networks with family and other pastoralists, increased business confidence, feelings of greater financial security and feeling more in control with the ability to handle seasonal variation. The environmental benefits included soil stability through management of ground cover and grazing management.

'Learning to run the numbers and plan around different variables has made me more confident that I'm making decisions on the right information' – Qld pastoralist

'I'm in a better mindset because it's good to see improvements. If your business is doing better, you feel better' – NSW pastoralist

'It's good to discuss with other people at these workshops. It brings people together and we can share advice and talk more down the track to see what others have done. It makes you feel like you are not so alone' – NSW pastoralist

'Attending the courses has opened up communication. It's a family business and there is sometimes a lack of communication on the important things. Doing the course was a good way to start opening that up' – SA pastoralist

Half of the participants surveyed indicated they intend to implement further changes to their business practices over the medium to longer term that they can directly attribute to learning about during Pastoral Profit. Examples of changes survey participants intend to make in the future include:

- Improved financial management and decision making
- Changes to internal business management
- Succession planning
- Changes to the business structure

4.3.4 Benefit cost analysis

The benefit cost analysis undertaken by Farming Systems Analysis Service provided an indicative return on investment for the project. The calculated net present value was \$4.4million, the benefit cost ratio was 4.9 and the internal rate of return was 40% based on a \$1.2million investment, over a 10 year time frame and 5% discount rate, agreed to by the Council of Rural RDCs. A 10 year time frame was chosen as it was assumed that the changes implemented as a result of Pastoral Profit would be obsolete or superseded, or that the pastoralists would have developed the skills within this timeframe from an alternative source.

The total cost of the project (\$1.2m contracted over three years) was included in the calculations even though some of the budget had not been spent when the survey work had been undertaken. Therefore, Farming Systems Analysis Service and Clear Horizon assume that it was likely that there would be further benefits accrue to the events that would have taken place from January 2017 – April 2017.

The analysis assumed a 78% adoption rate. This was based on the level of adoption measured during the surveys, where 78% of survey respondents indicated they had made a change that had resulted in improved productivity and/or profitability. Farming Systems Analysis Service assumed that at the completion of the project, 78% adoption would be the maximum adoption rate.

The analysis observed that there is a high level of uncertainty in the results of this analysis. This uncertainty was driven by:

- A lack of quantitative evidence to complement the qualitative data used for the estimation of the change in profit.
 - The design of the project did not consider the Impact Evaluation requirements at the start of the project. The evaluation process was not established prior to the commencement of events, therefore, there was no baseline quantitative data collected from participants to measure against at the end of the project. Likewise, the pre and post evaluation process used to evaluate events was of a more qualitative approach than quantitative, being designed to provide the indicators for change and impact.
 - The Impact Evaluation used an interview and survey approach to collect data for this analysis. Clear Horizon did not incorporate questions to quantifiably assess adoption of practices or assessment of change in profit. Assessment was based on qualitative data.
- The diversity and flexible nature of the training delivered by the project meant it would have been difficult to establish a focus for the analysis, i.e. no single specific message being delivered. This was exacerbated because of Pastoral Profits focus on business management and improved business management skills and focus on improved decision making. It's qualitative in nature in most cases.

As a result of these issues, the case study approach was adopted; however there are large confidence intervals around the results.

See Appendix 11 – Impact Evaluation of Pastoral Profit for complete report and findings

4.3.5 Drivers of practice change

Clear Horizon recorded external drivers that supported or hindered practice change as part of the interview and case study process.

Supporting factors included:

- Seasonal conditions
- Commodity prices
- Positive discussions with family or other business members as a result of improved communication
- Access to professionals and business support
- Networking with other producers

Limiting factors, which hindered practice change included

- Seasonal conditions
- Impact of wild dogs
- High cost of implementing recognised changes
- Lack of finances (cash flow) to implement changes
- Access to labour

5 Discussion

5.1 Overview of success of the project

Pastoral Profit exceeded the Key Performance Indicators for Category A, B and C delivery, and reached a large number of producers (total participants engaged were 2133 (not unique participants) across a relatively short time frame. The program also encouraged repeat engagement by a large percentage of producers. While participants didn't have a unique identifier, we can determine through the evaluation data received following each event that there were repeat participants, and especially so in NSW. On a whole, Pastoral Profit received positive feedback from participants. In addition to this, the estimated benefit cost, while acknowledging the limitations, did demonstrate a positive outcome for the investment – intent to change practices, and actual practice change was measured.

This project has contributed to the development of Regional Coordinators and Technical Deliverers in delivering a capacity building program in the area of whole of business management. This is an area that has been recognised as a weakness generally with not just producers, but a proportion of the service delivery sector as well. As a result of Pastoral Profit, Technical Deliverers have been provided opportunities to deliver into new geographical areas, developing their capacity to deliver in a pastoral context. In a small number of cases they have also been able to secure ongoing on-on-one consulting work with participants on a fee for service basis.

While 92 Category B events were delivered and achieved broad engagement, a proportion of these events were delivered with a Category C (implementation) type focus. Linkages between one event and the next were purposely made to allow transition of learning over time. In NSW in particular, the

cluster approach adopted delivered a series of connected Category B events which were orientated towards practice change, and had a specific coaching focus to support adoption. As a result, while the number of Category C events is low, the Category C evaluation outcomes were still achieved as a number of participants were engaged in a repeat manner.

Events were tailored to the needs of pastoralists locally. This was the intention of the program, and based on the feedback received by the post event evaluations, 82% of participants would recommend the event to others, and on average, the events achieved a satisfaction score of 8.7 out of 10. These results should not be diluted by the Impact Evaluation results. The Impact evaluation surveyed just 15% of the Pastoral Profit participants. The survey data was skewed by a high WA representation compared to other states. WA delivered the lowest number of events nationally, to the lowest number of participants compared to all other states. WA also experiences challenges in pastoral productivity and profitability not experienced in SA, Qld or NSW.

While overall the national Key Performance Indicators were achieved, there are a number of key learnings and recommendations which have resulted from this project which should be considered in the design and delivery of future extension projects.

5.2 Limitations and program weaknesses

A number of weaknesses of the project have been identified which may have impacted the project's success:

- The first Pastoral Profit events were delivered from June 2015. This was eleven months following the inception of the project. The slow start to the project was a result of protracted collaborative project planning. The protracted planning affected project clarity, which took time to iron out during the project start up and business planning phase. Changes in project personnel early in the project (within AWI, and Rural Directions) also resulted in some slippage.
- Pastoral Profit was a new program being introduced to the market. There was an expectation of a collaboration and co-investment model (producer contribution and co-funding), coupled with the business management and decision making focus of the program compared to other more general extension programs available. This as a result took time for Pastoral Profit to find its place in the market, and complement existing programs rather than compete.
- The 'adoption', 'change' and 'decision making' focus of Pastoral Profit assisted in setting the expectation with participants about the focus of the program. Having a profitability and productivity focus, through informed decision making and the consequential five themes created focus for event development, however it could be suggested that this was not enough clarity to drive implementation to meet what the project was trying to achieve. For instance, the program was limited by the capability of deliverers to create, deliver and market (value proposition) events that are truly Category C/implementation focused. The delivery of knowledge and skill orientated events was successful (Category B) given the more simplistic model for delivery, however given the impact focus of the program, it's noted that the failure to develop a robust impact focused delivery model resulted in Regional Coordinators and Technical Deliverers reverting to what they knew. There continues to be a

conflict between achieving KPIs (participation targets at the varying levels), meeting the investment ratios/guidelines and the project outcome. Future programs require greater emphasis on unpacking the outcome to inform the delivery model.

- Further to this, we expected change outcomes but didn't develop a robust change model and as a result Pastoral Profit didn't have content to drive change. Pastoral Profit essentially provided a model that encouraged events. This could have resulted via a number of factors including:
 - Design of investment ratios which favoured Category B type events and delivery,
 - Lack of capability within the project team to develop the model required, and/or
 - Poor signals from MLA and AWI to provide clarity around the expected outputs and outcomes associated with a 'change model'
- Pastoral Profit implemented a monitoring and evaluation requirements model for indicators of satisfaction, value and change, but it failed to have a robust impact evaluation model built in from project inception to capture baseline data for comparative analysis against project outputs and adoption by participants.
- The business plan outlined a process for gathering baseline data for use during project evaluation of impact. The market research was to understand numbers of producers, enterprise mix, available service providers, potential partners, collection of baseline data for comparative analysis for impact evaluation purposes, and to understand barriers to user pay approach. Further to this, a skills gap audit was also to be delivered to identify the key regionally based needs. The aim of this was to ensure ownership of the program, and recognise the scale of the project in that each region is unique and may have different priorities. During the early stages of the project, the methodology was changed. Regional Coordinators undertook a focus group and needs assessment process which assisted to inform their activity plans, however there was a significant gap in gathering all the information originally intended by the research activities, and as a result, impacted the overall results of the project as the project was less informed about project design elements which would have assisted engagement in implementation type activities. With failing to implement a process for collecting base line data from producers resulted in the inability to truly measure impact.
- Case study delivery and article delivery was limited. This was because of the types of changes being implemented by participating pastoralists were difficult to quantify and communicate. It was also difficult to see the results of such implementation in the short term, or during the project period. Given the nature of the project (project themes, and the practice change expected, and implemented), it was difficult to quantify benefits and communicate qualitative outcomes during the project period.
- Pastoral Profit did not have the ability to develop the desired sustainable model for future. The value proposition for long term co-investment was not great enough.
- A user pay model was developed and endorsed, however Pastoral Profit invested a much greater percentage compared to producers and co-funders. Competition with other delivery organisations/projects which compete for producer's time were delivered at no, or very low cost. This impacted Pastoral Profits ability to go to the market at the desired investment ratios per Event Category. It also suggests issues with the value proposition offered to producers. This is likely to continue as an ongoing issue for the industry. Industry needs to

consider whether the barriers to the user pay model are those of the producers or the service providers/delivery organisations?

- The Monitoring and Evaluation model fit for the Pastoral Profit style of events was a challenge to implement, particularly designing robust pre and post skills and knowledge multiple choice questions for Category B and C events. The themes for Pastoral Profit were mostly qualitative in nature in that it was hard to measure change, and it was long term changes (at a strategic level) which were mostly being encouraged.
- The NSW Regional Coordinator and National Coordinator identified that the reach in NSW could have been wider. Some areas of the Western Division of NSW were not reached. Investment was made into the same areas with delivery of four clusters however some opportunistic activities could have been delivered to establish a need for ongoing activities in more isolated areas of the state. The National Coordinator encouraged the NSW Regional Coordinator to foster opportunities in all areas of the zone; however this was a weakness for the outcomes for Pastoral Profit in NSW. All other states had good coverage. SA worked hard to develop opportunities in the north east pastoral zone, however struggled to break into this region.
- In some cases, Regional Coordinators took on sole responsibility of designing the majority of events, which may have limited the scope of the program impact, rather than engaging technical deliverers in design and delivery or engaging deliverers who expressed interest in working in the area. The other perspective to this is that there is an ongoing skills gap with Technical Deliverers in general in having the capabilities to design robust implementation styles of activities, which are outcome/practice change focused. They also have gaps in coordination, facilitation and implementation of monitoring and evaluation. The Regional Coordinators were aware of the need for all of these factors to combine for successful event delivery, so took this role upon themselves, which as a result, increased the administration and coordination time they consequently delivered.
- In some cases the Regional Coordinators kept opportunities within, and were not openly offering information about the program opportunities to the wider service delivery network. National Coordination, throughout the life of the project encouraged a collaborative, open culture to ensure the project attracted the right people for delivery of key outcomes; however, this was not always demonstrated.
- The “one size fits all approach” of the project was a limiting factor. In Western Australia, the southern rangelands is in decline, and production is challenged. During the producer consultation/needs analysis phase the reference group identified that the number of active and viable pastoral businesses was limited. During the Impact Evaluation conducted by Clear Horizon, a survey respondent indicated that they felt the event they attended was not relevant to them and the WA context – *‘There is no point doing business management and higher level stuff like that if you don’t have a business. A large proportion of people in the southern rangelands do not have a pastoral business at present. What is important to them is to try and find ways... for re-establishing their pastoral businesses.* There is a low sheep population in the southern rangelands (whereby majority of the southern rangelands sheep flocks are held by 2 landholders), specific support to these sheep producers as described by the WA Regional Coordinator in the WA Final Report (Appendix Z) may be worth considering. During the project planning and development stage, it would have been useful to

understand these state differences before finalising the delivery model and trying to fit a ‘round peg into a square hole’.

5.3 Opportunities and recommendations

- The overall survey response rate for the Impact Evaluation (undertaken by Clear Horizon) was low, (15%), this has limited the extent to which the results can be said to represent the views of the whole population of Pastoral Profit participants. However, based on the responses collected, it could be suggested that there continues to be a need for whole of business capacity building in the pastoral zone to quantifiably increase productivity and business profitability. Focusing on the factors driving practice change that the Impact Evaluation collected, it can be seen that overall, producers appear to focus on external factors which in most cases are outside of their control, as opposed to considering the factors driving business productivity and profitability internally.

High performing businesses take a professional approach to resource management, and resource allocation and they internalise and focus time working on their business.

It's observed that Pastoral Profit has created awareness of the knowledge and skill gap in a range of business management principles (surrounding the Pastoral Profit themes) and offered opportunities through event delivery and built some knowledge and skills. However, it is less evident that Pastoral Profit focussed on the implementation gap and the barriers in an effort to close this gap. Closing this implementation gap is the key to enhancing productivity and profitability. It is during such reflections that the flaws in the delivery model when compared to the project goals are most evident.

Despite the economic analysis, and participant data collected, the Impact Evaluation does not provide convincing evidence that the program was able to achieve broad scale capacity development of producers to run a low cost business model, optimise their gross margins, strategically identify and manage risks or move from an intuitive business management approach to more formalised approach. Pastoral Profit has certainly made a positive start in this area by offering events which highlighted such principles, and the drivers, however there is still work to be done to move these businesses along the continuum to adoption, and seeing transformational, measurable change.

Unfortunately, the program didn't collect baseline business performance data, therefore, it's not possible to validate these observations pre and post Pastoral Profit. It is recommended that more measurement and benchmarking becomes an essential component of implementation orientated activities in the future to allow change to be measured and monitored.

Intensive, focused capacity building activities which focus on supported implementation processes would help progress pastoral businesses; however barriers regarding the inability to finance this independently by producers exist. It's also important that effort is place on designing the structure for delivering of such programs. Defining the purpose is just as important. Pastoral Profit achieved Category C evaluation KPIs ‘accidentally’ through the

methods used to evaluate Category B events. Category C, implementation focused events were limited and as a result limited overall program impact.

- Cluster model – this has been implemented in NSW. There is an opportunity that the NSW pastoral region could be more prepared to adjust to an opportunity to continue their supported learning pathway through MLA’s new Profitable Grazing Systems delivery model. With failure to offer a specific impact model by the program, NSW Regional Coordination delivered a cluster model to support uptake of practice change. The other states didn’t adopt this model. There is an opportunity to explore with consultation with Regional Coordinators and Technical Deliverers what support may be needed to go back to the pastoral zone to deliver within the Profitable Grazing Systems model in all states, acknowledging that in some cases, Pastoral Profit was their introduction to a practice change/implementation focus. The loss of continuity and/or key people who contributed value through this project is a threat. Recognising a pathway to make the connection from one program to the next will be important for ongoing impact.
- Whole of business management remains an important area for focus. It’s recommended that AWI Networks consider how this theme could be emphasised and balanced with other opportunities offered via the Networks model.
- For MLA and AWI to continue to offer a range of products in the market. Localised delivery is critical, as is the range of entry points available.
- Pastoral Profit did not develop or have the budget for an ongoing communications delivery model. However for future programs, an opportunity exists to leverage from workshop and webinar content through the development of short papers by the Technical Deliverer. The Technical Deliverer should be remunerated for this additional output. This would ensure some of the IP that the program invests in is retained by the project and for MLA and AWI to extend. While often this would be a localised paper based on the localised approach to meeting needs through the events, extension even within these specific areas to the wider producer population would gain more reach and leverage from the face to face investment made for the smaller group.
- Consider how social media can be used in a proactive manner to reach the target audience. All Regional Coordinators considered this as a limitation to overall engagement within their zone throughout the project.
- Review M&E processes. A robust audit of the monitoring and evaluation processes adopted by Pastoral Profit and other programs may allow for streamlining of the process, to still gather data which is of value and utilised, but simplify it to be more meaningful for MLA and AWI and producers engaged. Engaging the monitoring and impact evaluation experts during program design would be beneficial in supporting this process. Individual participant identifiers would be valuable to track participation and change more effectively. Repeat participation is very positive, as it assists the learning pathway, and is assumed to support practice change. Currently we have the inability to look at per business impact, and in some the data, it results in duplication of demographic information which skews assessment of program reach.
- There is a need to recognise limitations and the situations of each state or target group/region. Therefore, it’s recommended that future national based programs design delivery models that are tailored to these needs to overcome this rather than adopting a

one size fits all approach. This will help to avoid delivery lag time as a result of an in-flexible approach.

- Longer project period would have benefited Pastoral Profit. That is, by not expecting delivery until after first 6 months, then three years of activity, followed by 6 months to undertake reporting would have allowed for an active three delivery window for example, leveraging the cost and impact of planning and reporting by providing on ground resources and activity implementation over a more robust project period. Or, at least adjusting milestones to more accurately acknowledge the planning and reporting aspects of new extension programs.
- While a budget for it was allocated at project inception, it is recommended that an evaluator be engaged from the beginning of future programs. This will allow for data needs to be identified and mechanisms put in place to collect data from the beginning of the program.
- Consider the cost benefit of recruiting and upskilling service providers (Regional Coordinators and Technical Deliverers) and the associated challenges compared to paying more for service providers with experience and track record.
- Pastoral Profit identified five key themes for assisting in guiding delivery. Regional Coordinators then developed activity plans based on their own understanding of these themes, and the needs identified via the consultation phase, and ongoing monitoring and evaluation feedback. Regional Coordinators were engaged based on their ability to deliver the coordination role, and lead the delivery model, not so much on their technical capacity, however, it's evident by the end of the project that Regional Coordinators were having significant influence on content. For future programs, a clearer role for coordination vs curriculum development is required to ensure the outputs delivered are not limited or narrowed through a narrow range of capabilities at a coordination level.
- Further to this, while it was valuable for Pastoral Profit to focus on the five themes, and define these, in future programs, it's important that the specific outcomes expected, or looking to be achieved is more clearly embedded in content development. Having specific curriculum for roll out could aid this.
- It's been observed that by contracting by participation based key performance indicators drives an approach to meet these, rather than focusing on the outcomes to be achieved. Outcome based key performance indicators should be prioritised in new program design, and participation should be secondary.
- MLA and AWI to invest effort in engaging the pastoral sector in their future programs (Profitable Grazing Systems – MLA, and AWI Networks). These sectors don't have the local service providers and resources to achieve this on their own as we have seen from this project. Therefore, to continue to build on the momentum achieved to the end of this project, specific efforts will be required to ensure this region is not overlooked as there remains for potential gains to be made with this sector.
- Note the localised/state based success, opportunities and recommendations outlined by Regional Coordinators within their final reports (Appendix 5 to Appendix 9)
- Note the Impact Evaluation Final Report (Appendix 11)

6 Conclusion

Pastoral Profit, an MLA and AWI initiative was a national program targeting the southern rangelands. The project was delivered in Queensland, New South Wales, South Australia and Western Australia from July 2014 – June 2017.

The purpose of the project was to build capacity and service delivery in the pastoral zone to facilitate improved business analysis and subsequent decision making processes. By supporting producers, through the delivery of regionally based learning and adoption activities which were adapted to the needs of pastoralists would allow them to move from intuitive business and enterprise management to informed decision making about optimal allocation of resources. This would ultimately result in improved resilience, confidence and profitability of pastoral businesses.

Pastoral Profit successfully engaged 2133 participants across 110 events, exceeding all national Key Performance Indicators across all event categories:

- 2133 pastoralists are aware of the need to use business analysis to make informed decisions (Category A) (142% achieved compared to KPI).
- 1240 pastoral producers participated in the delivery activities (Category B) (125% achieved compared to KPI).
- 630 participating producers were recorded as making informed decisions to improve profitability as a result of their involvement with activities (Category C) (102% achieved compared to KPI).
- At least 4 regional coordinators were up-skilled to provide coordination for the project in accordance with the national guidelines and principles to achieve the project outcomes

The national satisfaction for events was high, achieving an average score of 8.7 out of 10. The national average value rating (based on value of the event to the participants business) was 8.4 out of 10 and 82% of Pastoral Profit participants nationally indicated they would be willing to recommend the event they attended. A positive shift in knowledge and confidence was also measured, demonstrating the overall value of the events delivered.

The Impact Evaluation identified that 71% of participants had implemented new, or improved upon one of more business practices as a result of their involvement in Pastoral Profit. The key changes included: clarifying business goals, seeking professional advice, improved financial literacy, focusing on livestock nutrition, emphasis on genetic selection, changes to their marketing of their product, succession planning and implementing strategies to improve business/family meetings.

In the short term, participants generally felt that changes made would have a small or medium impact to profitability and productivity. At the same time, producers also indicated it was too soon for the impacts on profitability and productivity to be fully realised.

Changes that would have a medium to large impact on their profitability and productivity in the longer term were identified in the areas of livestock selection, improved land management and improved financial management.

The social benefits identified included improved communication, relationships and networks with family and other pastoralists, increased business confidence, feelings of greater financial security and feeling more in control with the ability to handle seasonal variation. The environmental benefits included soil stability through management of ground cover and grazing management.

The benefit cost analysis provided an indicative return on investment for the project, however there is a high level of uncertainty in the results of the analysis due to a lack of quantitative evidence to complement the qualitative data used, and also due to the diverse and flexible nature of Pastoral Profit activities, where the focus was on whole of business and enterprise management and improved decision making, being qualitative in nature and difficult to quantify impact. Nevertheless, the calculated net present value was estimated at \$4.4million, the benefit cost ratio was 4.9 and the internal rate of return was 40% based on a \$1.2million investment, over a 10 year time frame and 5% discount rate.

While these results are positive and the intention of participants to implement changes are noted, and actual change recorded, there remains a recognised misalignment between the expected outcome of Pastoral Profit and the delivery model that was developed and implemented. By not undertaking a program logic approach to project design to effectively plan the project, communicate outcomes and determine how success would be measured resulted in the project outcomes not being adequately unpacked to inform the delivery model. As a result, the resulting delivery model was 'event' based, rather than 'impact' based.

There continues to be a need for whole of business capacity building in the pastoral zone to quantifiably increase productivity and business profitability. Focusing on the factors driving practice change identified by the Impact Evaluation, it can be seen that overall, producers appear to focus on external factors which in most cases are outside of their control, as opposed to considering the factors driving business productivity and profitability internally. It is also possible that while producers can identify a change made, or something they intent to implement, they may not fully understand the association with whole of business impact of such change, or how to measure and track such impact to determine the value of the change.

High performing businesses take a professional approach to resource management, and resource allocation and they internalise and focus time working on their business, and on their enterprises. They have a very good handle on their current performance, and understand the implication of future influences.

It's observed that Pastoral Profit has created awareness of the knowledge and skill gap in a range of business management principles (surrounding the Pastoral Profit themes) and as a result, offered opportunities through event delivery which built some knowledge and skills. However, it is less evident that Pastoral Profit focussed on the implementation gap and the associated barriers in an effort to close this gap. Closing this implementation gap is the key to enhancing productivity and profitability. It is during such reflections that the flaws in the delivery model when compared to the project goals are most evident. Using a program logic approach and engaging an evaluation expert during project planning will support the development of a more robust delivery model in the future.

Despite the positive results achieved by the economic analysis, and participant data collected, the Impact Evaluation does not provide convincing evidence that the program was able to achieve broad

scale capacity development of producers to run a low cost business model, optimise their gross margins, strategically identify and manage risks or move from an intuitive decision making approach to more formalised approach. Pastoral Profit has certainly made a positive start in this area by going into this region with a whole of business approach to improved business decision making by offering events which highlighted such principles. However, in general, there is still work to be done to move businesses along the continuum from knowledge, skills and confidence development to adoption, and seeing transformational, measurable change.

Given the program didn't collect baseline business performance data, it's not possible to validate these observations pre and post Pastoral Profit. It is recommended that measurement and benchmarking becomes an essential component of implementation orientated activities in the future to allow change to be measured and monitored to truly understand the success of these programs and the true return on investment.

Intensive capacity building activities which focus on supported implementation processes would help progress pastoral businesses; however barriers regarding their ability to identify the need for their business, and/or inability to finance this independently exist. Overcoming barriers imposed by the delivery network to develop implementation based activities and to effectively market such opportunities also need to be overcome. There are gaps in the capability of service providers to effectively design activities and support producers to identify opportunities for change. Being clear on the expected outcome and the associated value proposition is critical to future extension delivery success in this area.

7 References

Bestprac 2011-2013 Evaluation Data sourced and available from National Coordinator Rural Directions Pty Ltd:

Productive Nutrition Pty Ltd, 2013, Bestprac Network Impact Survey

MLA, 2013, Southern Beef Situational Analysis, accessed 30/07/14 from <http://www.mla.com.au/Research-and-development>

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Red Meat Co-investment Committee and Australian Wool Innovation (RMCIC & AWI), 2013, 'A national blueprint for future sheep and beef extension'

8 Appendix

Appendix 1 Pastoral Profit Project Advisory Panel and Regional Coordinator Contact Details (Confidential)

Appendix 2 Pastoral Profit Business Plan (2015 version) with appendices

Appendix 3 Pastoral Profit Business Plan (2016 version)

Appendix 4 Pastoral Profit Evaluation Plan

Appendix 5 Pastoral Profit Regional Coordination Final Report – Qld

Appendix 6 Pastoral Profit Regional Coordination Final Report – NSW

Appendix 7 Pastoral Profit Regional Coordination Final Report – SA (Confidential)

Appendix 8 Pastoral Profit Regional Coordination Final Report – WA (Confidential)

Appendix 9 Pastoral Profit Regional Coordination Final Report – WA (Public)

Appendix 10 Pastoral Profit Monitoring and Evaluation Rolling Report (2014 – 2017)

Appendix 11 Pastoral Profit Impact Evaluation Final Report

Appendix 12 Pastoral Profit Event Log

Appendix 13 Pastoral Profit Individual record of monitoring and evaluation data collected (Confidential)

Appendix 14 Pastoral Profit Technical Deliverer contact details (Confidential)

Appendix 15 Pastoral Profit communication tools developed and implemented

Appendix 16 Pastoral Profit National Project Expenditure Breakdown (Confidential)_V2