

Building a Resilient Business

soil, opportunities & technology

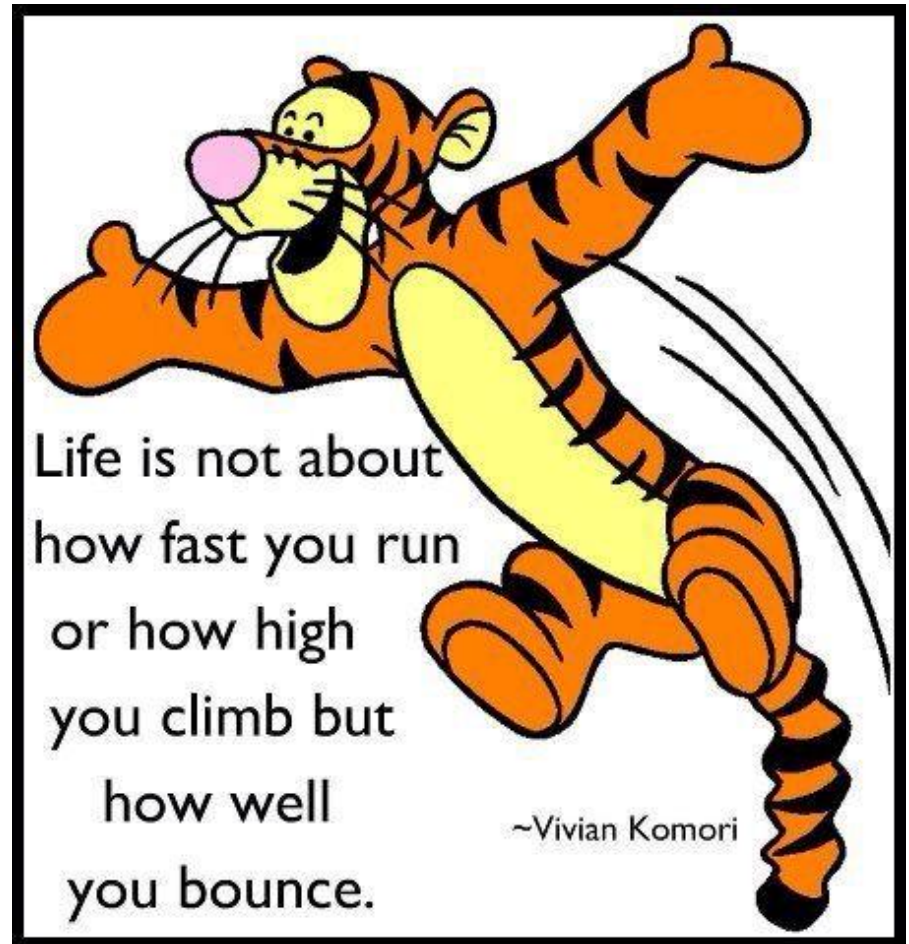
Gavin Dick

A large, decorative graphic at the bottom of the slide. It consists of several overlapping, wavy bands of green, creating a sense of movement and depth. The colors range from a light, pale green to a darker, more saturated green. The waves flow from left to right across the bottom of the page.

What is Resilience?

Resilience is the ability to withstand and recover from sudden shocks or impacts

It is not simply the aptitude of something to remain the same in the face of challenges, but to adapt to them either reactively or proactively



What is resilience?





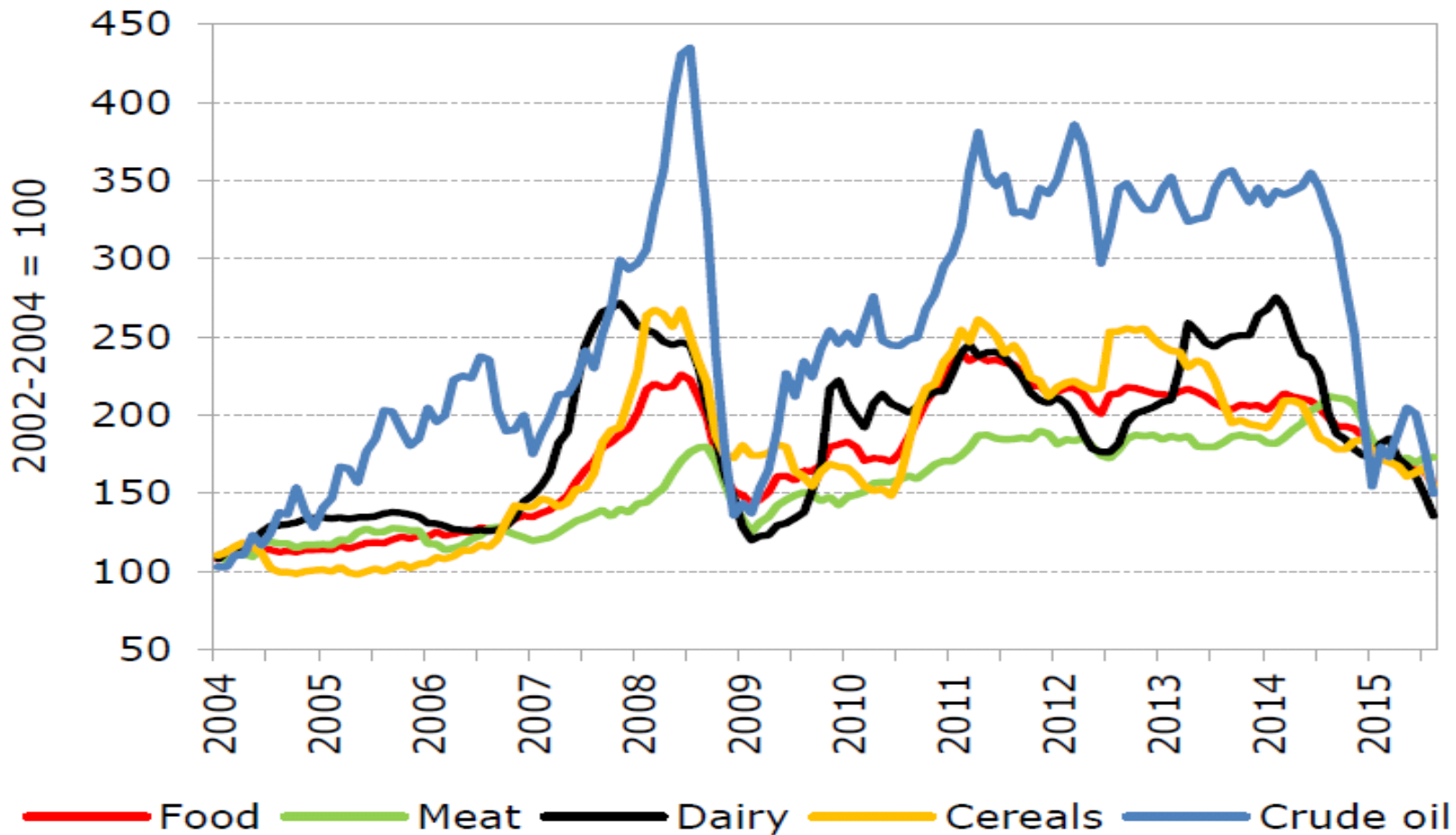


Traits of highly resilient businesses

- Sensitive to their environment and society
- Cohesive with a strong sense of identity
- Tolerant of innovative and new ideas on the edges of business operation
- Financially conservative, frugal and self-financed
- Genuine focus on quality

Impacts

Price volatility

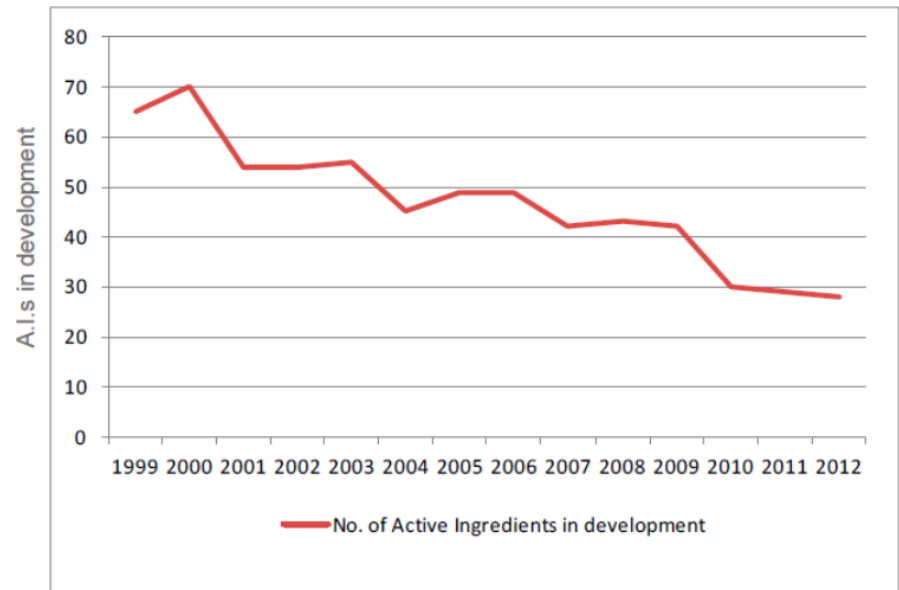


Source: FAO, EC

Impacts

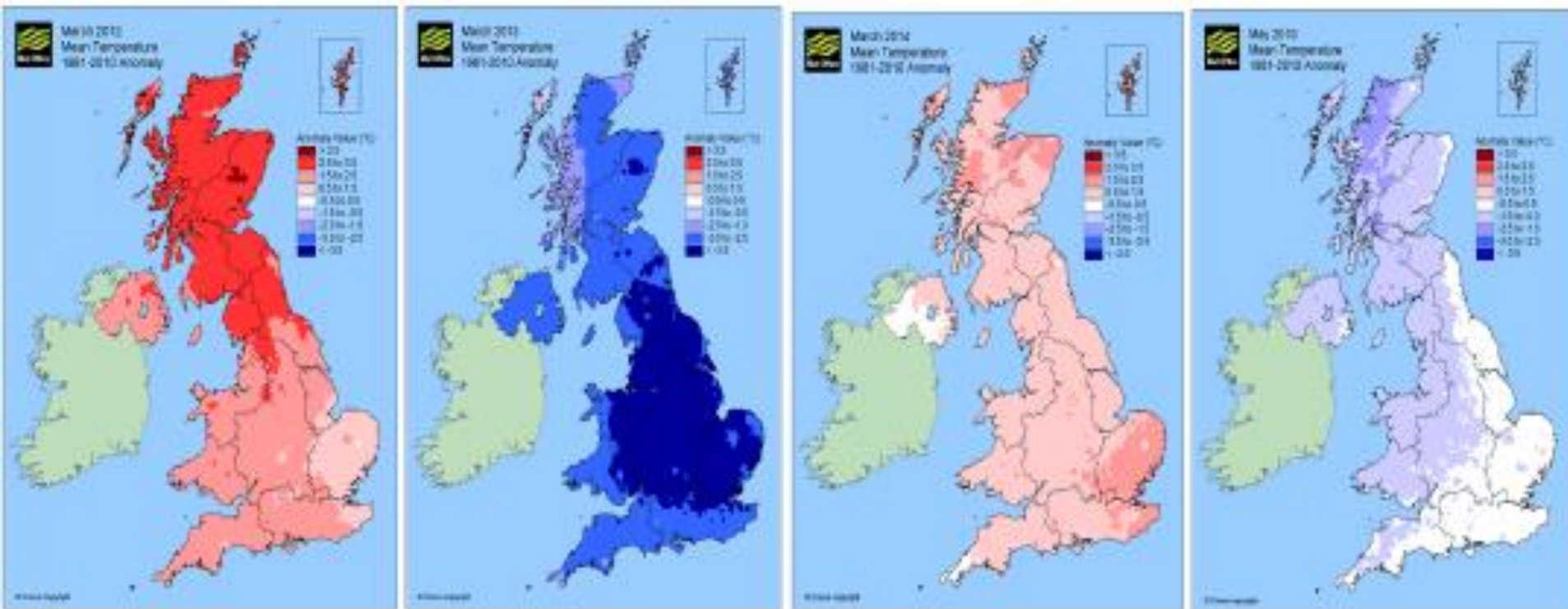
Increasing regulatory burden

- Fewer active ingredients in the toolbox
- Increasing resistance from pests & disease



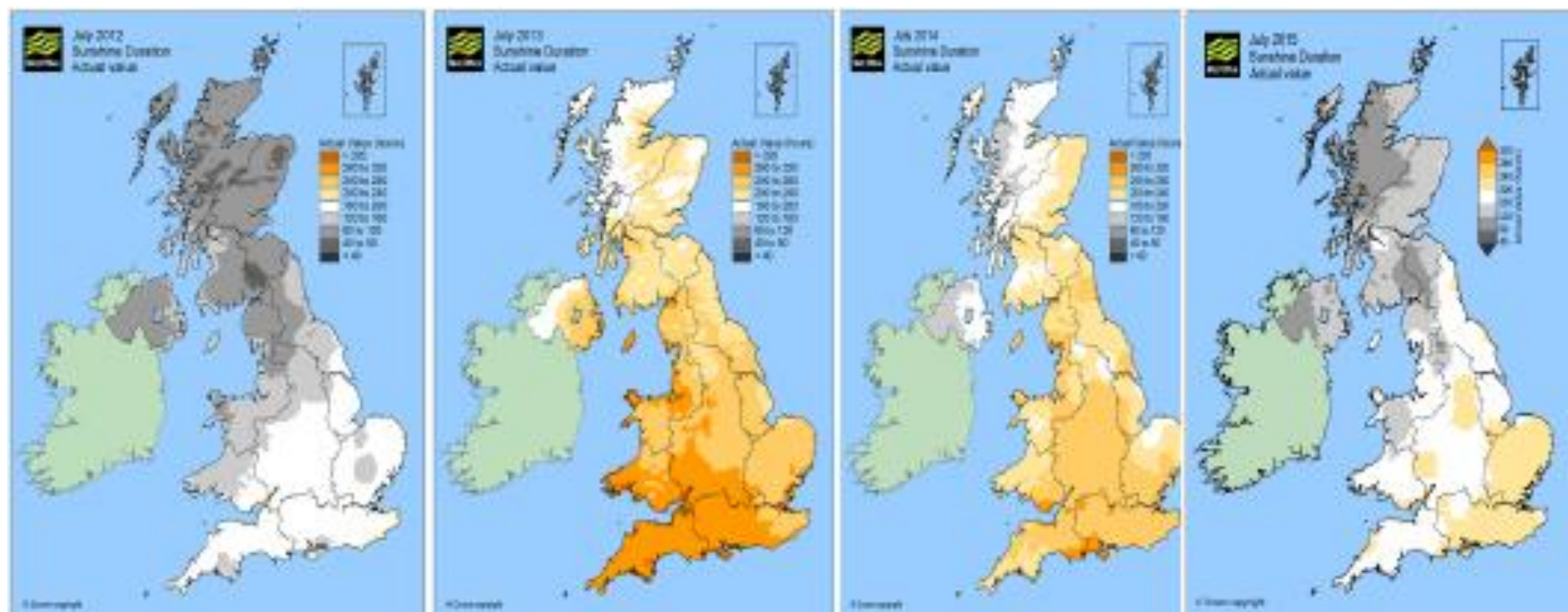
Philips McDougal report for ECPA 2013

Impacts changing weather patterns – temp 2012 - 2015



Impacts

changing weather patterns – sunshine 2012 - 2015



Impacts

Soil health



- 0.6 % of organic carbon content lost per year from soils between 1978 and 2003
- Tractors now 6x heavier than your average tractor in 1966

Soil Health



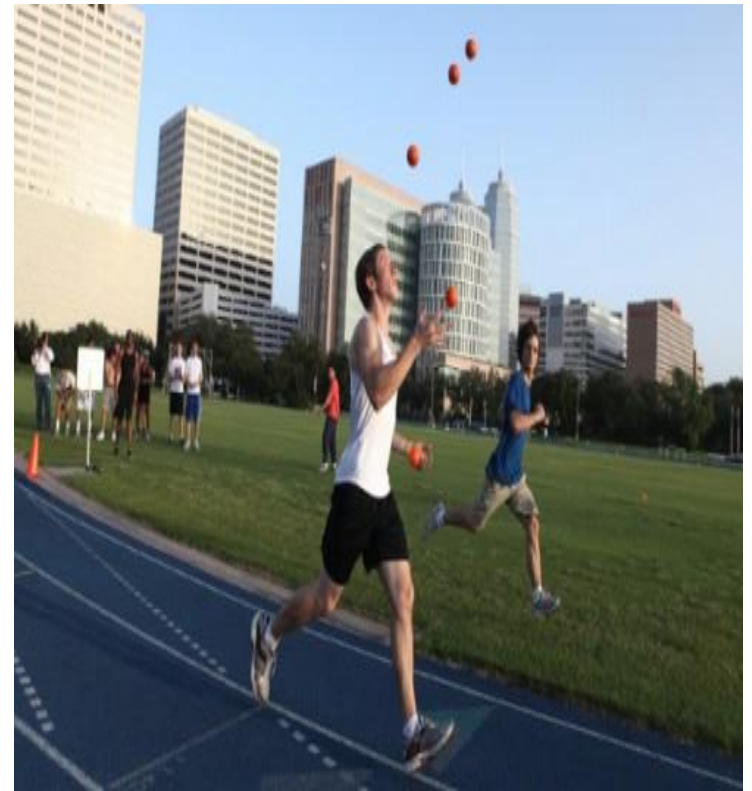
Building a Resilient Business

- taking managed or measured risk in return for reward.
- acquire knowledge
- increase your capacity to make better informed decisions about your business
- minimise the risk to your business of any negative impact from making that decision

How do you juggle more than 30 curve balls while running?

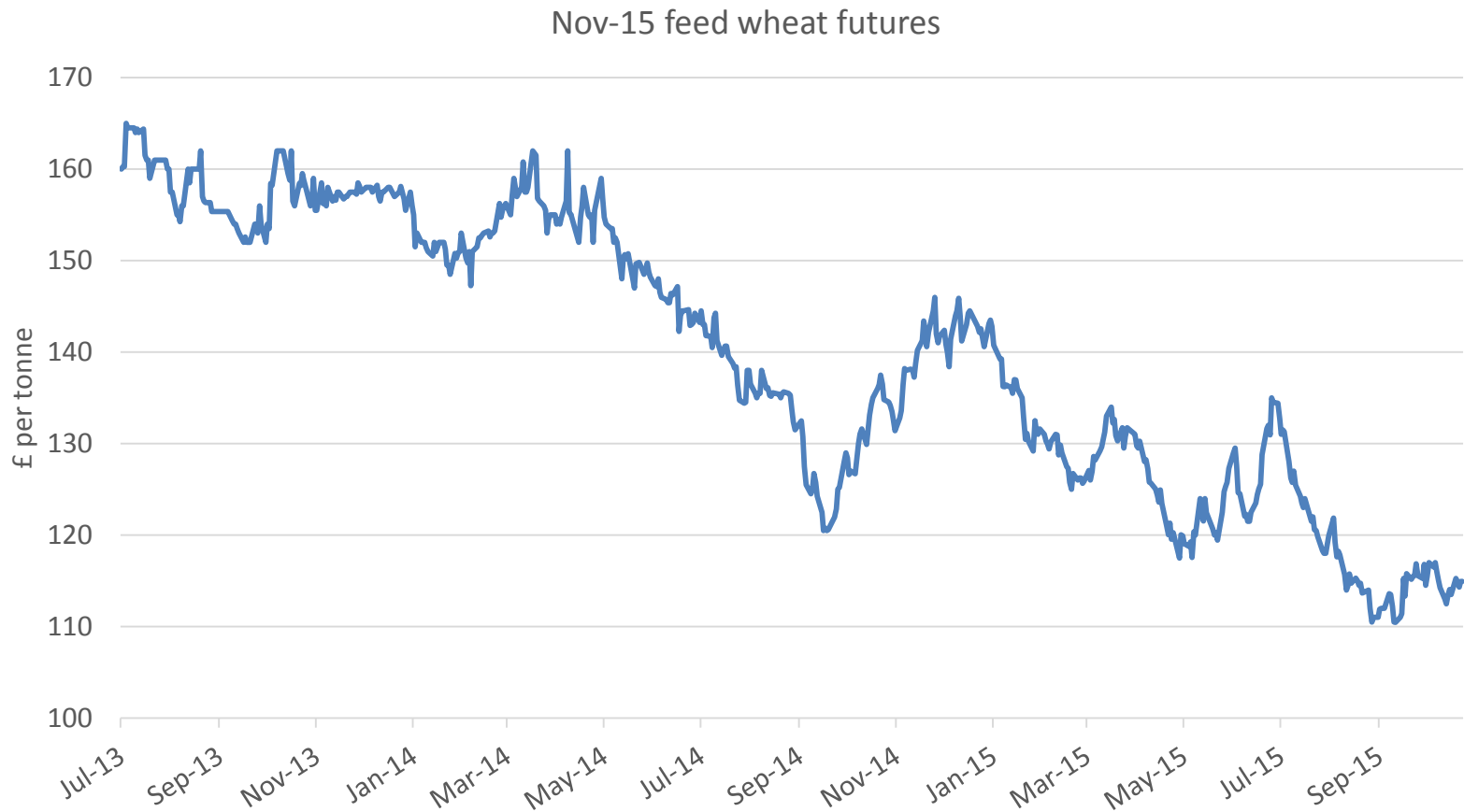
Keep risks in perspective:

- **Evaluate** (in monetary terms) and rank in order of size (impact on business)
- This will help to **prioritise** management time and increase resilience



Evaluating risk

Wheat futures example



Evaluating risk

Wheat futures example

Scottish ABG's wheat average farm production 69ha @10.1t/ha = 697 tonnes

Risk	Value (£)
Shift in wheat futures price of £55 / tonne	38,335



Practical risk management

- ✓ Soil
- ✓ Variety
- ✓ Rotation
- ✓ Pests & disease
- ✓ Contracts
- ✓ Labour & machinery
- ✓ Insurance
- ✓ Budgets
- ✓ Wills & agreements

**INCREASE
RESILIENCE**



Summary

- There are many threats & opportunities
 - Need to be proactive in risk management
-
- Build a plan
 - Build relationships
 - Build resilience

Ability to respond to a crisis

“When the Chinese word ‘crisis’ is composed of two characters, one represents danger, and the other represents opportunity”

JFK 1959

The image shows two large, bold Chinese characters in a traditional calligraphic style. The character on the left is '危' (wēi), which means 'danger' or 'peril'. The character on the right is '機' (jī), which means 'opportunity' or 'chance'. Together, they form the word '危機' (wēijī), which translates to 'crisis'.

Danger

Opportunity

Thank you