

The Future of Agriculture Services

Every farm business with an eye on future profitability has professionals working for them

By Al Scholz, PAg, CAFA, CAC

Farmers are multi-taskers by definition, taking care of everything from deciding what to produce and how best to do it, to managing the books, programming GPS, following global marketing trends, diversifying, managing risk and driving the kids to sports after school: CEO's of their own agri-business.

If there is one word taken to heart—and acted on—that would be of immense value to a family business, that word would be “ADVICE”.

This advice includes many things such as how to save on taxes, set up a family trust, the right insurance for a new partnership, how to protect the family farm in case of divorce, diversify off-farm investments, manage price and commodity risk, refinance an operation, create a farm succession plan, manage farm employees, take the business to the next level of diversification...the list is endless. The best advice is from a “certified” Agricultural Farm Advisor—the professionals who have the experience and expertise to do the job right.

The majority of consulting and advisory services to farmers is moving from advising on “production” to “business management”. While agricultural professionals are still involved, the majority of business services have migrated to other professionals, such as accountants, lawyers, financial planners, bankers / lenders, insurance brokers, trust officers, human resource advisors, market economists, family therapists / succession planners and educators.

This is a new trend. No longer is agriculture and food production under the sole purview of agricultural departments.

Like enterprises in other sectors of the economy, family farm businesses need a complete package of professional services to survive and thrive in a competitive global economy.

For example, ten years ago the concept of farmers using advisory boards started to appear among progressive family farms in Canada, Australia and the United States. While this was a very new concept at the time, it has quickly become a mainstream “best practice” among top farmers. In almost every instance, these advisory boards or board of directors are made up of lawyers, accountants,

marketing experts, human resource advisors and most important, successful entrepreneurs from other sectors. In summary business professionals who can take farm management expertise beyond just excellence in production.

To fill the emerging gap in coordinating professional services to farmers, a group of visionary leaders formed the Canadian Association of Farm Advisors (CAFA) in 2001. They could see the need to create a new professional organization to service all types of farm advisors.

CAFA developed as a second tier consultant/advisor organization providing



professional development, networking and certification. Membership in CAFA requires prior professional certification in the area of practice such as the provincial bar, certified accountants, lenders, human resource services, agrologists, etc. As a second tier organization, CAFA provides professionals with the additional accreditation of “Certified Agricultural Farm Advisor”, demonstrating they have the knowledge and expertise to provide business services to farm managers.

CAFA has over 400 members across the nation and is growing in number every month. Headquartered in Winnipeg, Manitoba, the organization is managed by an Executive Director and staff guided by a national Board of Directors. CAFA is exceptionally well organized with 30 branches in key cities across the nation. The branches have local committees that organize monthly chapter meetings to serve members on a regular basis with agricultural policy and program updates, networking and professional

development. It is 100 percent private sector led, managed and financed.

In addition to the local chapter meetings, the CAFA national office distributes quarterly newsletters and organizes annual provincial and regional meetings, workshops and seminars with leading experts in all aspects of business management. This provides not only excellent professional development training but also is recognized as one of the best “networking” events for CAFA members. This is one of the rare opportunities where accountants, lawyers, lenders, marketers, HR specialists and agricultural professionals are able to meet and discuss common interests in serving the most important sector in the economy.”

CAFA is unique. It is an organization not only attracting professionals serving a single sector but also has nationally recognized certification and professional standards of excellence ... ensuring that farmers are receiving the very best business services from those who are “Certified” as Agricultural Farm Advisors.

What about the agricultural experts, the agrologists and others? While the majority of CAFA members include accountants, lawyers, financial planners, bankers / lenders, insurance brokers, trust officers, human resource advisors, marketing economists family therapists / succession planners and educators—agricultural professionals are joining CAFA to network with the other professionals providing services to farm families.

There is a history of agricultural professionals forming organizations and institutions for certification requirements, professional development and a code of ethics directing how services should be

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provided to clients. CAFA is becoming the organization of choice for agricultural professionals to form networks or alliances with other business professionals to better provide a more complete service to farmers.

Recent reports from the CAFA office show that professionals with Departments of Agriculture, universities and colleges are joining the organization in order to liaise on a more regular and formal basis with the host of private-sector experts providing consulting and advisory services to farmers. There is a growing recognition that coordination among complementary service providers is the best way to help the Canadian agricultural sector maintain its competitive global market position.

CAFA is a unique organization in that it is the first inter-disciplinary professional organization in Canada dedicated to farm families and businesses. It is not only an organization attracting professionals serving a single sector but also has nationally recognized certification and professional development standards of excellence ensuring that farmers are receiving the very best services from a professional who is a "Certified Agricultural Farm Advisor".

The credibility of any professional designation is when the clients require their advisors to be "certified" members of a professional organization. If you are a professional person providing services to farmers and farm families consider joining the Canadian Association of Farm Advisors. It will be the best investment you will make this year. The benefits are many and CAFA is a model for the future.

For information on CAFA membership, call toll free (877) 474-2871 or visit www.cafanet.com.

Al Scholz is a Certified Agricultural Farm Advisor with 30 years of domestic and international experience in management, rural renewal and value-add processing. He has authored two books and is completing a Masters degree in Sustainable Food Systems. Al is a sought after keynote speaker. Call (306) 221-0248 to book him for your next event or to go to www.awellfedworld.com.

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