Development of change management initiatives for the Australian venison industry

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Abstract. Facilitation of change is crucial for the successful implementation of an endorsed strategic plan developed for the Australian farmed venison industry. Change management assists the transformation of the ideas and visions contained within the strategic plan into results and outcomes for the industry. This paper will detail the change management initiatives that have been individually tailored for the three recommended proposals incorporated within the endorsed strategic plan for the Australian venison industry. Although the tools used for the facilitation of change management will vary for each proposal, the two factors that will foster effective change management are leadership and the identification of barriers to change.

Keywords: venison, change management, leadership, barriers to change.

Introduction

A strategic plan for the Australian farmed venison industry is outlined in a series of four papers, together with this, i.e. Cox et al. 2006a; Cox et al. 2006b and McRae et al. 2006. The details and framework of the strategic plan formulated are provided in the first paper titled "Industry endorsed strategic plan for the Australian venison industry" (Cox et al. 2006a). Facilitation of change is crucial in the implementation of the strategic plan. This paper, the fourth within the series, will explore the concept of change management and identify change management initiatives required for the recommended and endorsed strategies to be successfully implemented.

The change management initiatives will focus around the three main strategies recommended, known as:

1. Market focussed alliances
2. Generic industry strategies
3. RIRDC research methods.

Each strategy will require individually customized proposals for effective change management. The change management initiatives tailored for each strategy, together with subsequent discussion, will be presented separately.

Change management

In developing any strategic plan, the facilitation and management of the change process is of vital importance. Successful change management initiatives ensure the transformation of ideas and plans into positive results.

Strategy (2002, p. ??) describe change management as the “process of managing the effective implementation of organisational strategies, ensuring that permanent changes in goals, behaviours, relationships, processes and systems are achieved for business advantage”. Change management involves managing the human factor of the change process (Change Facilitation 2006).

There is extensive literature and research on the effectiveness of change management (Carr and Johansson 1995; Coulson-Thomas 2002; Sims 2002; Connor et al. 2003 and Williams and Parr 2004). While a large amount of change management theories are linked to traditional business and organisational structures, the tools and concepts of change management can be similarly implemented across entire industries, such as the Australian venison industry. In fact, Furnham (2002) emphasises that although agricultural industries are considered “unique”, mainstream change management concepts can still be utilised effectively.

Although numerous different models and techniques outline successful change management facilitation, there are some fundamental concepts that are endorsed and common throughout. Williams and Parr (2004) encompass these concepts by reiterating that change management involves "helping people to change". At the outset, the people involved need to recognise that change is necessary. As stated by Sims (2002, p. 231), "one of the most important drivers for an organisation to change is the understanding by those within the organisation that change is required".

Every individual reacts differently to change. Williams and Parr (2004, p85) believe that the basis for successful change is to recognise that every situation is unique and "to take the time to develop
and deliver the appropriate change architecture” according to the circumstances. Consequently change management facilitators need to be innovative, proactive and dynamic in their approach to the transformation process.

Despite the need for change management to be individually tailored for each situation, several key issues are important for successful change management. These are:

1. Leadership; and
2. Barriers and resistance

**Leadership**

Leadership is a critical factor for successful change management. Coulson-Thomas (2002, p. 139) states “leadership is vital to bridging the gap between change expectations and change achievement”. In fact, Lyford et al. (2002) advocates that leadership is paramount to effectively implement changes within an industry environment.

It is imperative that communication and commitment form part of the leadership role. Leadership is needed to communicate a comprehensible and compelling statement embracing both the change process and the expected outcomes (Coulson-Thomas 2002, Lyford et al. 2002). Also, leadership commitment is of crucial importance in the management of change and this commitment needs to be communicated and sustained.

Furthermore, Coulson-Thomas (2002) emphasises that another important leadership role is to ensure that the people involved are empowered and prepared to manage change and the extra responsibilities that may be placed upon them. Management processes should also focus energies and resources upon those people and activities that make the greatest contribution to industry development and competitive success.

Leadership will be critical to change management in the Australian Venison industry. As outlined by Carr and Johansson (1995) and Coulson-Thomas (2002), and reinforced by Lyford et al. (2002) change management leadership within the industry will need to:

- Establish and communicate the vision of the strategic plan for the Australian venison industry.
- Motivate the industry to participate in the strategic plan for the Australian venison industry.
- Establish and exhibit the fundamental values of the strategic plan..
- Focus on the future of the Australian venison industry.

**Barriers and resistance to change management**

An important task in implementing change management within an industry is to understand and identify resistance and barriers to change. While the reasons for the resistance to change can be as extensive as the reasons change is required, there are some simple change management tools that can be utilised to reduce resistance.

Connor et al. (2003) outlines three key categories for the resistance to change and the measures required to reduce such resistance:

**Barriers to appreciation**: Some resistance barriers can be traced to people’s failure to appreciate the need for change, the reason for the particular change proposed, the substance and details of the proposed change, or the likely outcomes. Barriers to the appreciation of change can be handled by ensuring that there is an appreciation of the need for change and comprehension of the vision for the future. This can be achieved by:

- Engaging the recipients in discovering, defining or detailing problems relevant to the need for change.
- Expressing the need for change in culturally and organizationally relevant terms.
- Explaining the big picture of the plan for change and the intended outcome for change.
- Repeating the need to change and the vision in clear and consistent terms.
Barriers to acceptance: Resistance and barriers to change can be due to recipients not accepting the change. In most cases, acceptance requires believing the need for change and being willing to follow through in accomplishing it.

By ensuring that recipients know as much as possible about the change and their part in it, barriers to the acceptance of change will be reduced. Additionally, acknowledging and dealing with their emotional concerns will assist in breaking down the barriers to the acceptance of change. Actions that will assist in this regard include:

- Soliciting participation in making and carrying out plans and activities relevant to the change as early as possible in the process.
- Working hard to convey facts about the changes – even down to the minute details.
- Listening beneath recipients’ objections for the underlying concerns being voiced.
- Listening for rumours and supposition and replacing them with fact.
- Recognising that leaving something old sometimes requires a period of mourning before the new future can be faced.

Barriers to acting: Barriers to acting on change can stem from two sources: first from within the change recipients themselves and second from generalized conditions within the organization or in the larger environment. Actions to reduce the barriers to acting on change include:

- Ensuring that individuals have the necessary training, skills and personal characteristics to meet new requirements.
- Reassessment when lack of resources appears to stop change efforts.
- Going back to the beginning and refocusing on the needs for change if inertia is preventing change.

Developing change management initiatives

The three main strategies proposed as part of the strategic plan for the Australian venison industry are noted in the introduction. The three strategies attempt to deal with the different problems associated with the industry, and as such, will require different change management tools to be implemented. These change management tools will be outlined later in this report under the following headings:

1. Change management initiatives for market focussed alliances;
2. Change management initiatives for generic industry strategies; and
3. Change management initiatives for RIRDC research model.

Individual change management initiatives were customised for each of the three main strategies recommended. In each case, the industry’s current position was identified and initiatives were developed to assist the implementation of the strategic plans. Initiatives were developed by:

1. Extensive consultation with industry participants and experts outside the venison industry in food service, retailing and marketing.
2. Review of other initiatives in other agricultural industries.
3. Collaboration of the researchers by pooling resources of prior knowledge and experience.
4. Review of literature relating to aspects of the recommended strategic plan.

Change management initiatives

Successful change management will enable the vision and expectations outlined in the strategic plan to be realised into outcomes and results that will be beneficial to the industry as a whole. Nevertheless, it is important to bear in mind that recognition of change is one of the main drivers for change (Sims, 2002).

After initial consultation with participants in the Australian venison industry, it became evident that many industry participants recognised that if changes within the industry were not implemented, the industry would continue to struggle and possibly collapse. Full details of this conclusion are provided in the third paper titled “new title? of the Australian venison industry” (Cox et al. 2006b).
As such, change management initiatives for the three recommended strategies for the Australian venison industry will be presented.

**Change management initiatives for market focussed alliances**

As defined by the Macquarie online dictionary (2005), an alliance is essentially defined as "an association of two or more individuals/groups/nations who agree to cooperate with one another to achieve a common goal". In the terms of the Australian venison industry, an alliance could span the entire production chain, or indeed, just a section of the chain.

The proposal for implementing market-focussed alliances within the Australian venison industry intends to create increased value for all participants involved in the production chain. The market focussed alliance proposal for the Australian venison industry evolved from both the understanding of the problems within the industry, along with reviewing similar successful initiatives in other agricultural industries.

For market focussed alliances to develop, there is one key change that initially needs to occur within the industry. This is a shift in how participants perceive and think about the market. Currently, the majority of participants within the industry maintain a commodity market approach, which is characterised by a focus on production (Department of Agriculture, Fisheries and Forestry 2002). By contrast, the market focussed approach looks at first identifying what the consumer demands, or values, and then structures production accordingly.

For change to occur within the Australian deer industry in the adoption of alliance partnerships, it is going to require participants to:

- Develop trust within the alliance across a wide range of issues;
- Have an ability to meet performance expectations outlined by the alliance;
- Have each alliance member understanding and endorsing clear goals; and
- Be compatible across a variety of issues.

Furthermore, for change to occur and the alliance framework to be successful, participants at all levels of the alliance will need to be market focussed and distance themselves from a commodity trading mentality. This change in thinking will be enhanced by working with participants at different levels of the industry and understanding how best to meet their requirements and expectations.

**Discussion of market focused alliances within the Australian venison industry**

While there is several change management initiatives that are required to be implemented for the successful establishment of a market focussed production chain, the benefits of such changes are significant. Successful market focussed production chains (or value chains) exist across and within many industries. Extensive research has been conducted on the benefits of market focussed production chains, with the Department of Agriculture, Fisheries and Forestry (2002), detailing that they deliver:

- Shared information systems;
- Shared logistical functions and product development;
- Superior value to consumers; and
- Improved competitiveness and resilience.

In Australia, successful market focussed alliances have been established in such industries as beef, lamb, horticulture and fishing (Department of Agriculture, Fisheries and Forestry, 2002). While the direct rewards delivered from market focussed alliances vary with each industry, it is acknowledged all participants within these frameworks need to benefit.

Given the very small nature of the Australian farmed venison industry, the researchers have identified that there are only a selected number of viable commercial players who have the capacity to implement change initiatives that will possibly benefit the whole industry. While these commercial players interact across all sectors of the industry and undertake many different and important roles, they fundamentally still operate within the framework of commodity trading.
For these commercially viable participants in the industry to form the basis of a market focussed alliance, there are several change management initiatives that need to be considered. While the number of participants, focus or goals of an alliance can vary with each alliance, the tools needed for each alliance to be successful will be similar. These tools for success have been identified across numerous literature sources, but according to Whipple and Frankel (2000), the primary tools for the success of an alliance are:

- Trust
- Ability to meet performance expectations
- Clear goals
- Partner compatibility.

**Trust**: All relationships, be they business or personal, require trust to succeed. In the terms of the alliance structure proposed, trust between alliance members will be extremely important, and mandatory across numerous levels. Indeed, if alliance participants cannot trust fellow alliance participants, the alliance will not be fully utilised, and may indeed fail (Johnson 2002).

Therefore, in terms of the alliance framework being discussed, it is very important to identify how to strengthen the trust between participants, to optimise the chance of successful alliances. Trust in the alliance must cover all aspects of the alliance, and this can be achieved through such processes as:

- Understanding – All alliance members must fully understand what the alliance is, what it stands to achieve and how it will function. This will give confidence across all levels of the alliance, and also an understanding of each person’s role within the alliance. Understanding must also be developed with alliance members across personal levels, in terms of background, ethics and moral positions.
- Transparency – for trust to develop and remain, certain levels of transparency within the alliance must exist. While this may take time to develop, given that participants will have been accustomed to operating in a commodity-trading environment, it is a crucial tool in developing trust. As each alliance will be different in their formation and operation, the level of transparency will vary across and within alliances. This may range from simply a process of passing on information, to thorough scrutiny of individual businesses. The alliance members will best determine the level of transparency within an alliance.
- Facilitation – depending on the structure of the alliance, trust may need to be facilitated by an individual. This could either be some one involved in the alliance, or indeed, an external person, who has no direct involvement in the alliance.

**Ability to meet performance expectations**: For change to occur within the Australian venison industry, it will be crucial that clear performance expectations are outlined. These expectations can be multi layered and range from covering the entire alliance or individual members. These expectations could also be formalised in such processes as a contract. Expectations will vary, depending on the aim of the alliance. Performance expectations can be used to recruit or attract alliance members.

In order for alliance participants to meet performance expectations, it is essential that all participants initially understand and acknowledge the existence of the expectations of each member. One method to achieve this could be through contractual arrangements or by an agreed Code of Conduct. In a simple form, these expectations may be used as a charter for the alliance to operate by. Performance expectations may cover such issues as:

- Attendance at alliance meetings
- Meeting of adequate specifications
- Transparency of operations.

**Clear goals**: The majority of successful alliances have clear goals that all alliance partners work towards. Goals, or targets, crystallize the role of the alliance enabling all participants to focus on certain results. This said, in the alliance framework it would be
up to each alliance to agree on a goal, or goals, that best suit their situation and expertise. Goals would also need to be created so as to be measurable, which can then be used to determine the success of each alliance initiative. Under the RIRDC framework, these goals may need to be formulated in a research context, using benchmarking initiatives.

**Partner compatibility:** One of the fundamental aspects of any alliance or successful partnership is compatibility between the individuals involved in the process (Johnson 2002). Compatibility can range from such things as social, ethical or business issues, to species, seasonal requirements, environmental and location compatibility.

In the context of this report, it would be better for each alliance to determine the compatibility of each participant within the alliance and how the formation of the alliance structures will work. Given the very small nature of the Australian venison industry, the large majority of viable participants already operate within a climate of compatibility within the production chain. Thus, identification and compatibility of partners within an alliance may have been informally enacted through the years, with an alliance structure simply requiring formalisation of these arrangements. It should be noted, however, that while an informal alliance may have been developing in the past, this has been developed within a commodity based trading system and as such, an understanding of each participant's role in the "informal alliance" has been unidentified.

Therefore, another crucial aspect of the compatibility of alliance partners is the ability for all alliance partners to understand the role and aim of the alliance, along with the individual situation of participants within the alliance.

Thus, for change to occur in the format of alliance partnerships, alliance member compatibility is extremely important. While in most cases compatibility within each alliance structure will be determined by previous experience, facilitation of alliance compatibility may need to be enhanced by forces external to the alliance.

**Success factors for market focussed alliances:** Research into existing alliance structures provided an outline of numerous factors that are critical for success. In terms of the market focussed alliances proposed for the Australian venison industry, these 'critical success factors' need to be highlighted, and considered when managing change.

Folkerts and Koehorts (1998) identify five critical success factors for alliance frameworks:

1. Formulation of a plan and an agreed schedule of activities;
2. Definition of targets and a clear idea of expected pay offs;
3. Formulation of clear and effective communication plans;
4. Mutual understanding of respective cultures; and
5. Experience of cooperation with other partners.

Similarly, Fearne and Hughes (1999) identified five critical success factors, including:

- Strategic orientation, including vision and investment;
- Organisational structure and business culture based on business;
- Ability to use and exploit market information;
- Improvement in measuring and controlling costs; and
- Innovation.

Johnson (2002, p. 24) summarised the requirements for success by suggesting that, "when developing a partnership or alliance three crucial elements of Environment, Process and People must be understood and then integrated. Without the integration of these elements, the alliance cannot reach its full potential".

**Change management initiatives for generic industry strategy**

Through the extensive consultation with participants, there were several industry-wide, or generic issues which a strategic plan for the Australian venison industry needed to consider. The generic strategies for consideration include:

- Establishment of a common venison language
- Adoption of an industry wide grading system
• Industry endorsed Australian venison brand
• Horizontal alliance for by-products and secondary cuts
• Value added developments for secondary venison products.

Further details relating to these proposals can be found in the first paper titled “Industry Endorsed Strategic Plan for the Australian Venison Industry” (Ref).

For change to occur within the Australian venison industry through generic industry strategies, the leaders of the industry will need to:

• Consult the industry on the details of the programs
• Gain industry wide endorsement of the programs
• Remove barriers to resistance
• Educate the industry on the final programs
• Implement frameworks for the programs to be enacted.

However, the most important change management factor in implementing generic industry strategies is leadership. Agreement must be very strong from all sectors of the industry for the generic industry programs to be implemented across the whole industry. Consequently, industry leadership will need to communicate a clear and compelling vision of the change process and envisaged outcomes (Lyford et al. 2002).

**Discussion of generic industry strategy**

While each of these strategic initiatives differs in focus and scope, several of the change management processes required to implement the initiatives are very similar. These include:

• Industry wide endorsement by the majority of players within the industry
• Successful structure and financial arrangements within the initiative
• Location, personnel and logistical arrangements
• Process, scope and guidelines for undertaking any research
• Channels to educate and distribute research findings.

Given that the majority of these initiatives would initially directly benefit the processor or other procurement identities, the use of levy funds through RIRDC would need to be clarified. That is, under the current levy arrangements, only producers pay the levy and under this proposal, the processors would be direct benefactors without contributing any levy funds. A new funding model needs to be considered requiring all major beneficiaries to contribute funding towards commercial developments and research.

In the implementation of this initiative, there would need to be consideration of the levels of cooperation required between individual processors, procurement identities, and companies. Possibilities include:

• Collaboration between RIRDC and processors to increase supply volumes, consistency and quantity.
• Cooperation between individual processors and procurement identities needing to be on a voluntary basis.
• Cooperation only in the research phase, with implementation of the findings left up to each player.
• Only providing support for research and research findings given to joint venture partners or levy payers.

While the generic industry strategy proposals are designed for implementation across the whole industry, there are options for the initiatives to be realized if industry wide endorsement fails. Individual businesses, alliances or sectors of the industry may be able to implement some of the generic initiatives proposed, such as developing brands, grading systems and horizontal alliance opportunities. The change management tools for individual/alliance acceptance of generic issues are very similar to those outlined for whole-of-industry acceptance – just applied on a smaller scale.
In the facilitation of the proposed generic industry strategy, the leadership provided through RIRDC will be crucial to the success of the initiatives, along with removing any barriers and resistance to change.

**Change management initiatives for RIRDC research model**

For RIRDC to deliver increased benefits to the Australian Venison Industry, changes to the RIRDC research model will need to be facilitated. Various government bodies have successfully implemented programs and funding models to deliver increase returns to their respective industries (MLA 2004; NFIS 2005).

While the details of the change to the RIRDC funding model are outlined in the first report titled “Industry Endorsed Strategic Plan for the Australian Venison Industry” (Cox et al. 2006), change management initiatives that may be included are:

- Changes to Industry Committees
- Independence of funding guidelines
- Utilisation of outside industry knowledge
- Facilitation officers

The facilitation of change within the RIRDC research model will be critical to the successful implementation of a strategic plan for the Australian Venison Industry. The management of change within the RIRDC research structure needs to ensure that industry participants will be able to gain innovation and sustainable research outcomes that lead to a commercially viable Australian Venison Industry.

There is dissatisfaction with the current system whereby levies are administered by RIRDC. Whilst details of changes to funding model need to be further researched, change management initiatives that need to be considered are outlined above.

**Discussion of RIRDC research model**

Levies collected on behalf of the Australian Deer industry are administered by RIRDC, established in July 1990, under the Primary Industries and Energy Research and Development Act, 1989. In terms of the Australian Deer Industry, RIRDC aims to manage and fund priority research and translate the results into practical outcomes for industry development.

Industry is concerned that the present RIRDC research model is not delivering innovative and sustainable research outcomes which are leading to a commercially viable Australian venison industry. As detailed in the “of the Australian venison industry, results from consultation with industry highlighted that:

- 30% of producers and 86% of processors surveyed believed that the focus of RIRDC funding, legislation and previous research was incorrect.
- 43% of respondents stated that administration of the industry was poor and misguided.

While dissatisfaction with governing industry bodies is not unfamiliar when an industry is in a downturn, there was a general suggestion within the Australian venison industry that little benefit was being gained by producers from levy payments. The issue of return on levy funds has been faced by other industries. Two successful research models that have brought increased commercial outcomes to agricultural industries are:

- Producer Initiated Research Developments – Meat and Livestock Australia

**Conclusions**

Change management is critical to ensure the successful implementation of the endorsed strategic plan for the Australian venison industry. Change management will facilitate the process of transforming the plans and visions contained within the strategic plan to results and outcomes for the industry. The Australian venison industry recognises the need for change and this acknowledgment is an important driver for successful change.
Under the three different strategy areas identified, the tools used for the facilitation of change management will vary. However, the two factors that will foster effective change management for the Australian venison industry are:

1. Leadership
2. Identification of barriers to change.

Leadership will need to communicate a clear vision and the need for change whilst identifying the barriers to change and facilitating the 'breaking down' of these barriers. The change management initiatives have been customised for each proposal within the endorsed strategic plan. The market focussed alliance strategy will require compatible alliance participants to develop trust, meet performance expectations and understand and endorse clear goals.

Leadership will be the most important change management factor to ensure the successful implementation of the generic industry strategy. Details of the programs developed under this strategy will need to be presented to and endorsed by industry participants with any barriers to resistance addressed. Furthermore, the role of leadership will be responsible for educating the industry on the final programs and implementing the necessary framework.

The facilitation of change to the RIRDC research model will be vital to the overall successful implementation of the endorsed strategic plan for the industry. Change management initiatives such as industry committee changes, independence of funding guidelines, utilisation of knowledge outside the industry and facilitation officers all need to be considered.

The successful implementation of the three proposals that are integrated within the endorsed strategic plan for the venison industry will depend on the facilitation of change. The change management initiatives developed for each separate strategy for the Australian venison industry will ensure that the vision and results outlined in the strategic plan will have the maximum opportunity to be achieved.

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