ADOPTION STRATEGY PLANNING AND INVESTMENT GUIDE

September 2018

Contents

SUGAR RESEARCH AUSTRALIA:
ADOPTION STRATEGY PLANNING AND INVESTMENT GUIDE

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Purpose

The purpose of this guide is to outline the key processes, resources, roles of SRA staff and outputs necessary to enable the effective implementation of the Strategy for Industry Led Adoption Activities in the Sugar Industry *(Industry Adoption Strategy)*.

Background

In 2017 SRA finalised an *(Industry Adoption Strategy)* which aims to support the profitable and sustainable growth of the Australian Sugar Industry through accelerated application of technologies and practices which lead to targeted and measurable practice change.

The development of the *(Industry Adoption Strategy)* involved review of successful models in other industries and extensive consultation with stakeholders including regional productivity services boards, millers, canegrower groups, key investors and government.

Roles

Industry stakeholders and service providers have a critical role to work collaboratively with each other and SRA in the process of defining, designing and delivering adoption activities which enable clear and measurable improvement to be achieved in areas of identified need.

The *(Industry Adoption Strategy)* will be overseen by an Industry Adoption Advisory Committee (IAAC). The IAAC will be responsible for identifying priority projects and making a recommendation to the SRA Board for funding approval once these have been fully developed.

SRA views its role in this as enabling and facilitating a system that meets levy payer expectations and drives outcomes around productive, profitable and sustainable sugarcane production. To that end SRA has committed SRA staff to support the *(Industry Adoption Strategy)* and coordinate and guide the process.

Actions to drive improvement

To achieve its objectives, the *Industry Adoption Strategy* aims to:

1) Collaboratively develop investment strategies at the regional and industry level that focus on practice improvement needs and outcomes;

2) Establish robust adoption priority setting and investment processes built upon:

   a. Regional Adoption Advisory Groups (RAAGs) tasked with identifying regional priorities;

   b. Regional Adoption Advisory Committees (RAACs), which will replace the role of SRA delegates, tasked with developing regional strategies;

   c. Regional Annual Operating Plans (AOPs) which outline all elements of regional service delivery and identify un-funded activities requiring resources; and

   d. An Industry Adoption Advisory Committee (IAAC) to develop an Industry Adoption and Investment Strategy based on the priority projects for investment identified from the six Regional Adoption Priorities and Strategies.

3) Establish two streams of investment for adoption service delivery:

   a. **Core Funding** to resource industry and regional coordination based on six key cane regions and core resources (staff) within each region to enable effective delivery of the model; and

   b. **An Industry Adoption Fund** (IAF) comprising leveraged investment to resource regional and cross-regional projects which have been identified and designed to address strategic industry issues.

4) Apply a consistent design and evaluation approach to all Core Funding and IAF strategies and projects.

The *Industry Adoption Strategy* is as outlined in the diagram below:
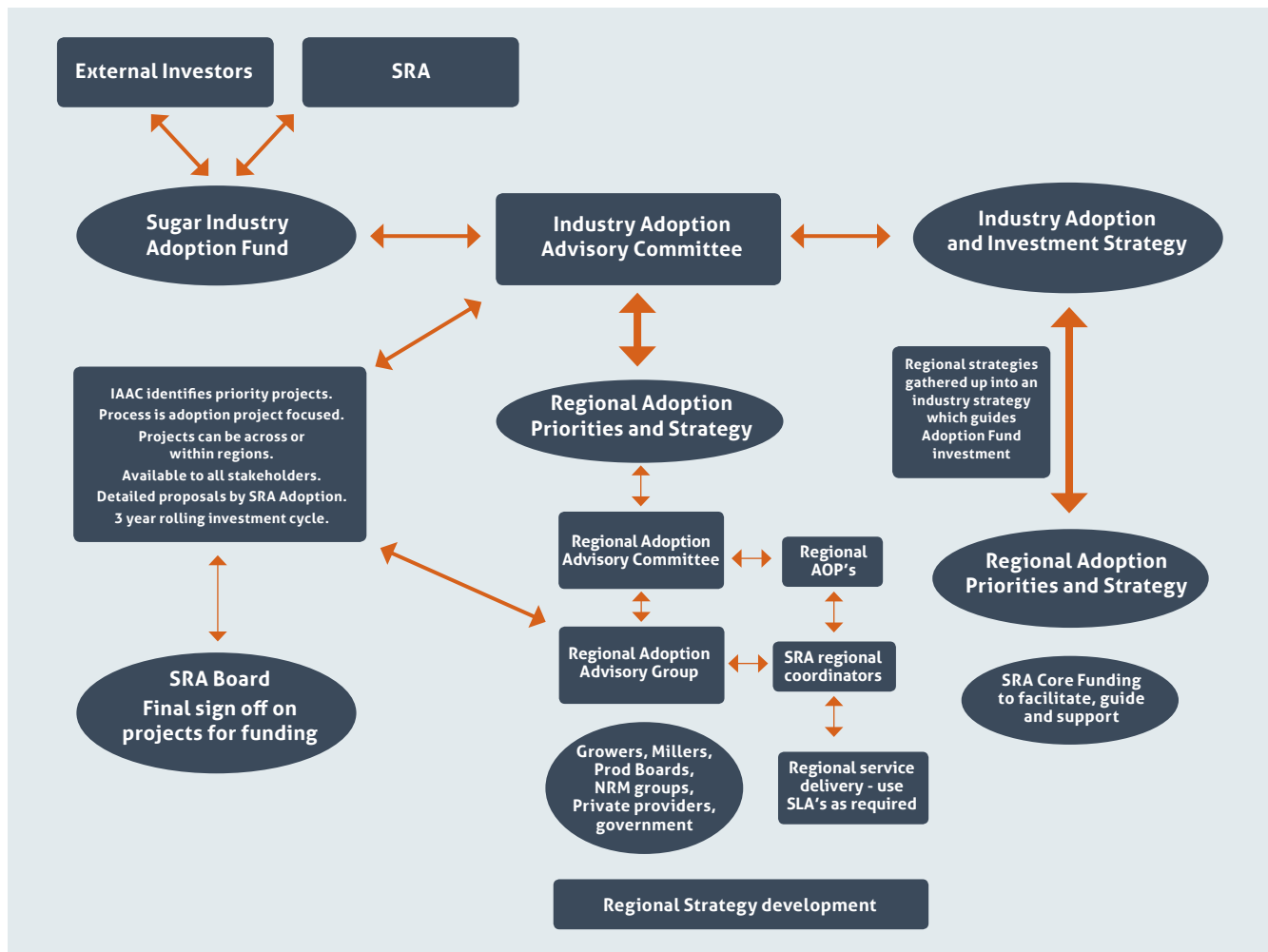
Through this process the industry (at regional and national level) will build collaborative investment strategies focused on practice improvement needs and outcomes.

An important element of the *Industry Adoption Strategy* is around **capability development** both at service delivery level and farm level. The consultation process identified this as a priority and addressing these gaps is included in the *Industry Adoption Strategy*.

At farm level there is recognition that **farm business management** needs to be improved so that growers can better understand the costs and benefits associated with practice improvement.

The necessary capacity and capability in relation to extension and practice improvement are also critical.

As such, the *Industry Adoption Strategy* provides for a **Farm Business Management Program** and a **Graduate Recruitment Program** which will leverage existing investment in this space, enable appropriate scale and provide career pathways and professional development opportunities.

These programs will be run as separate projects and will be dependent on investment from SRA and others. Detailed proposals will be developed for these and will require consultation with other stakeholders and service providers (DAF, QFF for example) already operating in this space.

Funding

To facilitate the process SRA will establish two streams of investment for adoption service delivery – these being:

1) **Core Funding**; and

2) An **Industry Adoption Fund** (IAF) to fund strategic projects.

The Core Funding is intended to resource:

1) Core personnel to enable effective delivery of the Industry Adoption Strategy;

2) A Farm Business Program to develop farm business management capacity and undertake farm business/economic analysis; and

3) An industry wide Graduate Recruitment Program to ensure ongoing development of capacity in adoption service provision for the benefit of the industry.

The intention is to fund both the Farm Business Program and the Graduate Recruitment Program through co-investment from SRA and external investors.

The IAF, which will include funding from SRA and external investors, is intended to fund projects which have been designed to address strategic industry priorities and meet investor needs.

Note: SRA's contribution to the IAF is intended to be utilised on a priority basis to leverage additional co-investment. It is not intended to directly fund projects within/across each of the six regions.

Process and Timelines

At a Regional level, by December each year and once the strategic priorities have been agreed, the Regional Coordinator will prepare and present a *Regional Adoption Strategy* for approval by the RAAC. This Plan will be submitted to the IAAC for inclusion in the overall *Industry Adoption and Investment Strategy* to be completed by February each year.

The IAAC will identify the priority projects and it will be incumbent on the Regional Coordinators to ensure a detailed project plan is developed according to an agreed pro-forma that clearly sets out the expected project details; investment sought; timelines and milestones; responsible delivery organisation; expected outputs and outcomes; and the monitoring, evaluation and reporting process to be followed to demonstrate practice change and return on investment. Once completed, these will be submitted to the IAAC for review.

Once the IAAC is satisfied with the project detail, approved projects will be submitted to the SRA Board in April each year for final review and approval prior to being funded.

Successful projects will commence thereafter - July at the latest.

SRA staff will then monitor and report progress against milestones and deliverables and provide feedback to the IAAC which will allow refinement of the national and regional priorities.

The diagram below outlines the key process elements and timelines for the development and delivery of the *Industry Adoption Strategy.*
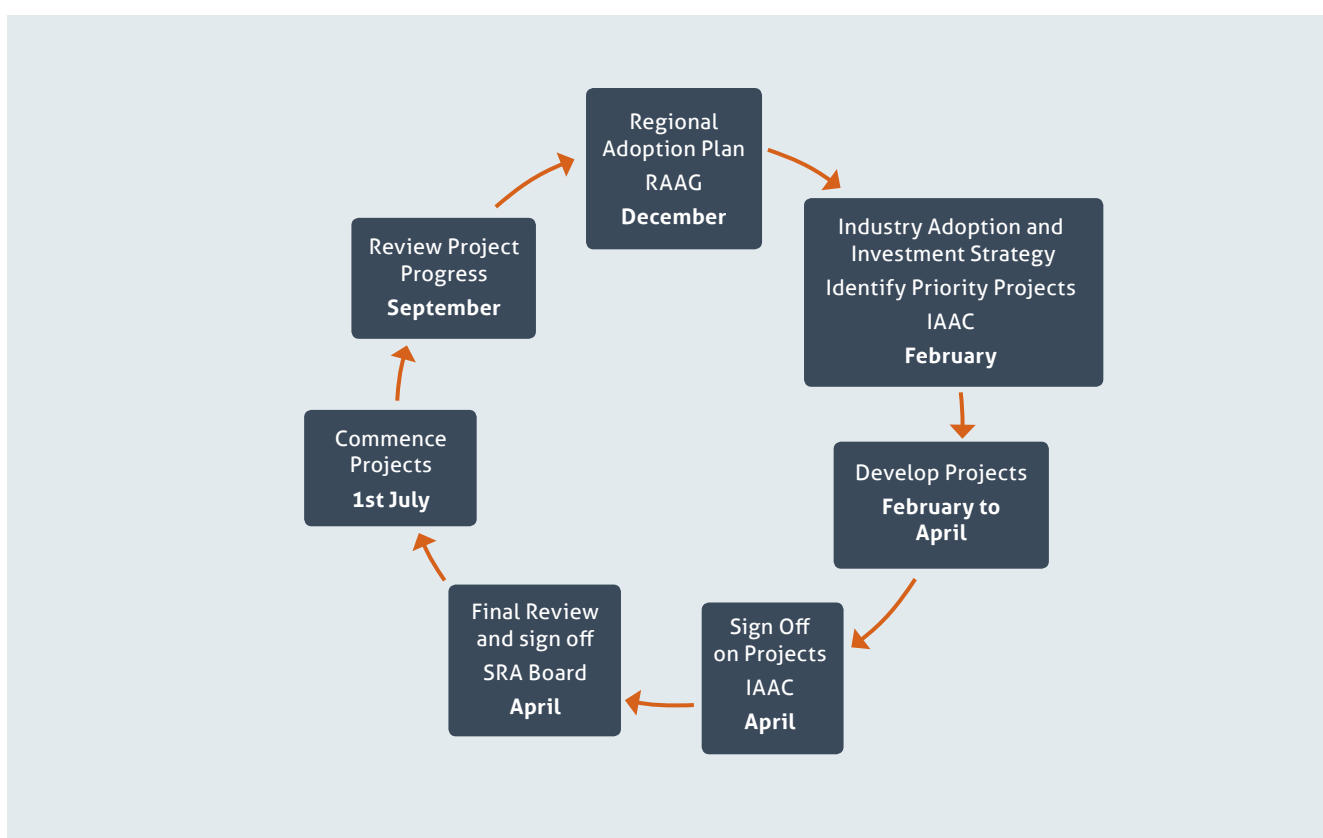
Project Design and Evaluation

Projects must ensure the efficient delivery of services and resources across regions and will be designed to address strategic priorities and improve adoption in each region and must include systems for:

- **Evaluation** - Be able to measure the impacts and use this for continuous improvement and innovation.

- **Accountability** - Ensure that funding recipients do what they were paid to do.

- **Attribution** - Give credit where credit is due.

A key principle is that cost:benefit thinking will be applied to all elements of IAF investment including a consistent design and evaluation approach to all IAF funded adoption programs and projects.

In order to achieve this:

1) All SRA staff associated with adoption project development and delivery will be trained in the application of contemporary project design and evaluation techniques;

2) Individual project Monitoring, Evaluation, Reporting and Improvement Plans (MERI Plans) will be collated into an Industry MERI Plan to enable effective project delivery that is linked to the *Industry Adoption and Investment Strategy*;

3) All projects delivered via the IAF must meet the required standards of the Industry MERI Plan.

A key question is: How will we measure success?

Critical to this is knowing what the starting point is. How do we establish the baseline? There are many data sets that have been collected by various organisations and groups across the regions that can be used to establish the baseline of industry agricultural practices. The quality, range and availability of this data differs from region to region and between mill areas. Part of the RAAG's focus in the early stages must be to undertake a Regional Scan to determine what data is available and to collate it into a form that can be used both in the strategic planning process and the baseline setting process.

Adoption Strategy Development and Investment

There are three main elements to the adoption strategy development and investment process, these being:

1. Development of the six Regional Adoption Strategies;

2. Development of the overall Industry Adoption and Investment Strategy; and

3. Identification of investment priorities, project development and co-investment.
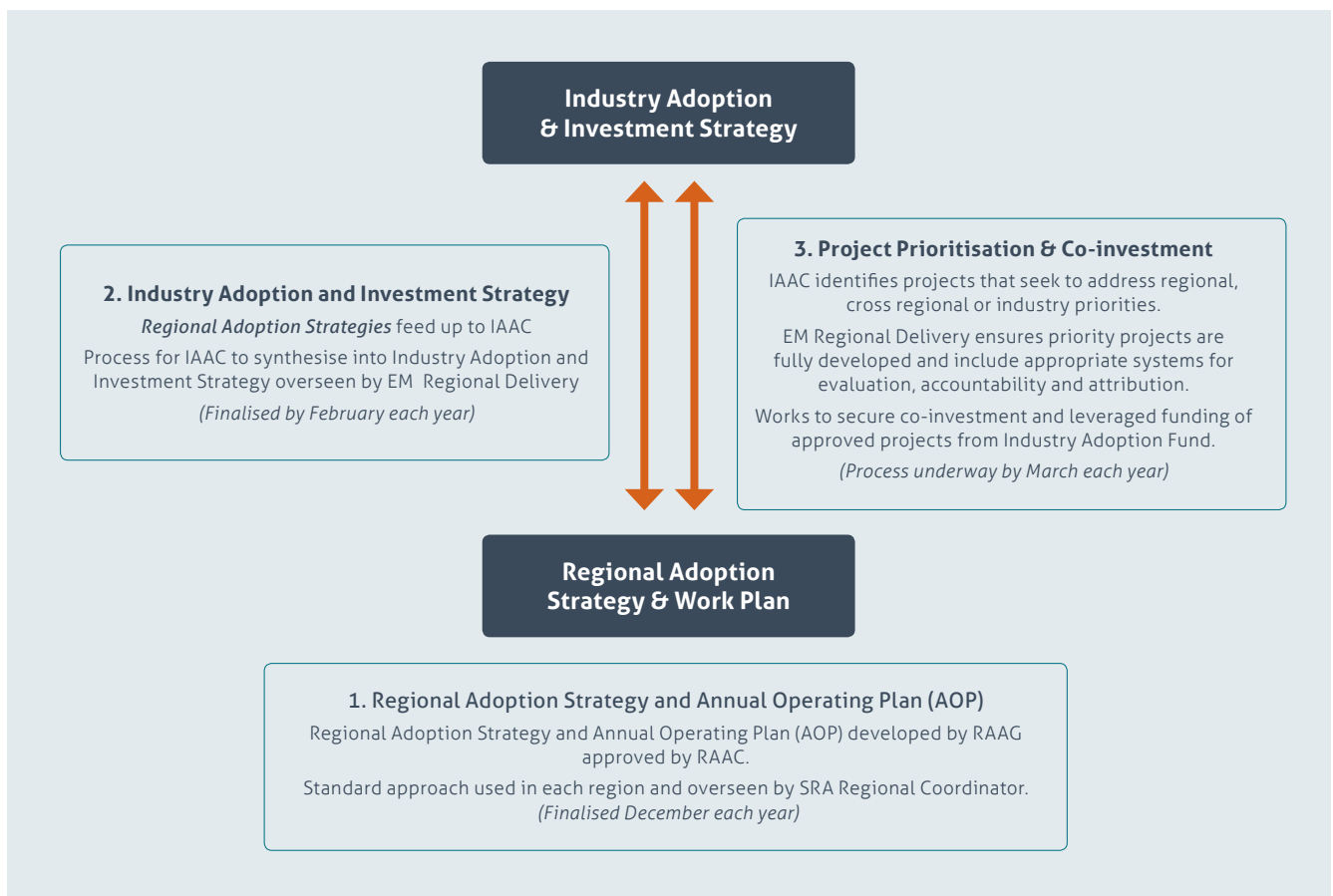
Critical to this will be the need to establish:

1. The appropriate representative regional structures which will be involved in the identification of regional adoption priorities and strategies;

2. A Regional Adoption Strategy which, using a standard approach:

   a. Identifies the key risk factors;

   b. Identifies and describes the key challenges;

   c. Identifies the opportunities associated with improved practice; and

   d. Articulates the benefits of addressing these gaps and who is best placed to deliver the required services.

3. A regional Annual Operating Plan (AOP) which clearly:

   a. Outlines all elements of regional service delivery including who is delivering what relative to the strategy;

   b. Identifies deliverables for SRA staff relative to other providers including productivity service groups, NRM groups and independent operators;

   c. Identifies unfunded activities and opportunities that require resourcing; and

   d. Links all service and adoption delivery to Regional and Industry strategies.

It will be the role of the SRA Executive Manager – Regional Delivery to collate the *Regional Adoption Strategies* into an *Industry Adoption and Investment Strategy* which will, in turn, be used as a key resource to build SRA's broader industry Strategic Plan.

The adoption strategy development and investment process is outlined in the figure below.

Industry Adoption & Investment Strategy

2. Industry Adoption and Investment Strategy
Regional Adoption Strategies feed up to IAAC
Process for IAAC to synthesise into Industry Adoption and Investment Strategy overseen by EM Regional Delivery
(Finalised by February each year)

3. Project Prioritisation & Co-investment
IAAC identifies projects that seek to address regional, cross regional or industry priorities.
EM Regional Delivery ensures priority projects are fully developed and include appropriate systems for evaluation, accountability and attribution.
Works to secure co-investment and leveraged funding of approved projects from Industry Adoption Fund.
(Process underway by March each year)

Regional Adoption Strategy & Work Plan

1. Regional Adoption Strategy and Annual Operating Plan (AOP)
Regional Adoption Strategy and Annual Operating Plan (AOP) developed by RAAG approved by RAAC.
Standard approach used in each region and overseen by SRA Regional Coordinator.
(Finalised December each year)

1. REGIONAL ADOPTION STRATEGY AND ANNUAL OPERATING PLAN DEVELOPMENT

Regional Adoption Advisory Structures

A Regional Adoption Advisory Group (RAAG) should be formed in each of the six SRA regions – NSW/Rocky Point, Southern, Central, Burdekin, Herbert and Far North Queensland (FNQ).

Makeup of each RAAG will be up to the regional stakeholders however should include representatives from levy payers (growers and millers), SRA, grower representative groups, productivity service providers, government and NRM groups as relevant to each region. Private technical specialists should be drawn upon as required.

The aim will be to utilise existing groups where possible. The key will be to ensure that:

- Groups have appropriate regional stakeholder engagement (see minimum participation below);

- The process is objective, collaborative and a-political;

- Growers and millers have the primary say; and

- There are enough extension practitioners and technical specialists to speak to the questions around current activities, gaps, target audience etc.

In addition to the RAAG, each region should appoint or elect a Regional Adoption Advisory Committee (RAAC) made up of levy payers from each mill area within the Region, SRA and DAF members (if relevant).

The levy payer representatives on the RAAC will fulfil the current SRA delegate roles and the Chair and Deputy Chair of the RAAC will sit on the Industry Adoption Advisory Committee (IAAC).

A region may decide not to form a RAAC, in which case the Chair and Deputy Chair of the RAAG will sit on the Industry Adoption Advisory Committee (IAAC).

Purpose

1. To participate in the development and implementation of a Regional Adoption Strategy and Annual Operating Plan;

2. To provide regional representation to the IAAC in order to guide development of the *Industry Adoption and Investment Strategy*;

3. To be a conduit between growers, millers, research and extension both within and across sugarcane regions; and

4. To replace the role of SRA Delegates.

Leadership and Administration

- A Chair and Vice Chair to be appointed.

- The Chair, Vice Chair and Regional Coordinator will be the Regional Representatives on the Industry Adoption Advisory Committee (IAAC) (see below).

- Terms of Reference to be developed and agreed based on the draft TOR.

- The SRA Regional Coordinator will act as the Executive Officer and provide all administrative support.

- To meet as required to oversee the development and implementation of the Regional Adoption Strategy.

Regional Adoption Strategy and Work Plan

- Regional Adoption Strategies and associated work plans will be developed using a standardised approach across all regions.

- They will broadly be based on the goals and key focus areas as defined by the SRA RD&E strategy with a strong focus on increasing productivity, profitability and sustainability – more cane.

- Regions will use the process to define priority areas for future investment.

- Priority projects can be developed and funded in two ways:

  - Regions may choose to develop projects independently and source external funding as necessary.

  - Alternatively, the Industry Adoption Fund process may be used by regions (see below).

- Regional Adoption Strategies will be developed into the Industry Adoption and Investment Strategy which will be used to guide the investment of the Industry Adoption Fund.

Strategy and Work Plan Development

The development of Regional Adoption Strategies and associated Annual Operating Plans (AOPs) will be facilitated by SRA through the Regional Coordinator and will involve four key steps:

1. Regional Scan;

2. Summary of regional challenges and opportunities;

3. Gap identification; and

4. Priority setting.

Role of Regional Coordinators

- Facilitate RAAG meetings.

- Provide secretariat support for the group.

- Consolidate data into regional strategy templates.

- Develop and refine the Annual Operating Plan.

- Drive the process to meet timelines.

- Troubleshoot around issues and concerns as they arise.

- Work with stakeholders before and after to refine action areas.

- Foster an effective working relationship amongst members.

- Communication and stakeholder engagement within the Region.

- Involve regional SRA Adoption Officers in Regional Strategy development, allocate to relevant projects as required, monitor and manage performance.

Role of Executive Manager

- Ensure consistency of groups, processes and outputs across regions.

- Support Regional Coordinators around process and stakeholder management.

- Drive the process to meet timelines.

- Ensure consistent systems are in place for attribution, accountability and evaluation of all IAF funded projects.

2. INDUSTRY ADOPTION AND INVESTMENT STRATEGY

Industry Adoption Advisory Committee

An industry level group of key stakeholders drawn from each of the regions tasked with developing an Industry Adoption and Investment Strategy and identifying priority projects to address adoption priorities.

Purpose

1. To provide Industry leadership around adoption priorities.
2. To oversee the development and implementation of an Industry Adoption and Investment Strategy.
3. To ensure Industry priorities are addressed through leveraged funding of projects that address identified priorities at a regional, cross regional or industry level.
4. To ensure projects include appropriate mechanisms for evaluation, accountability and attribution.
5. To make recommendations to the SRA Board on projects to be funded from the Industry Adoption Fund.
6. To serve as the key governance group for the Industry Adoption Fund.

Structure, Leadership and Administration

- The Chair and Vice Chair of each Regional Adoption Advisory Group and the SRA Regional Coordinators to be members, with SRA employees being non-voting members.
- A grower Chair and miller Vice Chair to be appointed/elected initially and to rotate. Term will be two years.
- SRA Executive Manager Regional Delivery to act as Executive Officer for the group and provide all administrative support.
- The group will meet quarterly or as required to oversee the development and implementation of the *Industry Adoption and Investment Strategy.*

Industry Adoption and Investment Strategy

The industry level plan will be a synthesis of all Regional Adoption Strategies. It will use the same templates and follow the same structure and will include data from all six regions.

The IAAC will have the task of:

1. Identifying shared priorities across regions;
2. Identifying and agreeing on priorities which align with strategies of potential co-investors;
3. Agreeing on the regional projects which demonstrate benefits worthy of being pursued at a regional level;
4. Directing the EM Regional Delivery to fully develop priority projects from 1-3 above for sign off and funding once approved by the SRA Board;
5. Reviewing evaluation data from commissioned projects; and
6. Continuously improving the Industry Adoption and Investment Strategy based on evaluation data.

The EM Regional Delivery will have the task of synthesis for presentation to the group and making recommendations with regards to scope for annual investment from the Industry Adoption Fund. They will also have the role of pursing co-investment from organisations in areas of shared strategic intent.

The SRA Board will have the task of reviewing commissioned projects before final sign off and funding.

The output from the process will be a rolling three year strategy and investment plan which outlines:

- Currently funded projects;
- Projects to be commissioned and seeking co-investment; and
- Projects within Regional Adoption Strategies not funded and not yet commissioned.

The IAAC will provide feedback to regions as to the above and highlight:

- Regional priorities to progress to full project proposal stage;
- Regional priorities which need to be progressed via a cross-regional development process; and
- Priorities which will not be funded at this stage and the reasons why.

This process should be complete by the end of February each year.

Role of Regional Coordinators

- Represent SRA at the regional level.
- Work with regional representatives to develop a coherent position on regional priorities.
- Participate in Industry Adoption and Investment Strategy development process.
- Drive the process to meet timelines.
- Troubleshoot around issues and concerns as they arise.
- Effective communication and stakeholder engagement within the Region.
- Involve regional SRA Adoption Officers in the Industry Adoption and Investment Strategy development process.
- Allocate regional SRA Adoption Officers to relevant projects as required; monitor and manage performance.

Role of Executive Manager

- Represent SRA at all levels.
- Summarise Regional Adoption Strategies into a single summary document (Industry Adoption and Investment Strategy).
- Facilitate the convening and reporting of IAAC meetings.
- Manage regional and industry stakeholders and ensure engagement in process.
- Troubleshoot around issues and concerns as they arise.
- Drive the process to meet timelines.
- Communicate with all stakeholders the process for strategy implementation.
- Draft and finalise the Industry Adoption and Investment Strategy for presentation to the IAAC.

3. PROJECT PRIORITISATION AND CO-INVESTMENT

Seek Co-Investment

The EM Regional Delivery will be guided by the IAAC and SRA Board to seek co-investment in priority areas seen as relevant to the key state and federal investors (DES, DAF and DAWR and DEE). This will require a clear articulation of the problem, target audience, potential improvement and benefits of priority projects (as per synthesised regional strategies).

Priority Project Proposal Development

Priority projects at the industry, cross-region and regional level will be identified and the EM Regional Delivery tasked with pulling together project development teams to further progress priorities to full proposal stage.

Assessment and Delivery of Projects

Full project proposals will be reviewed by the IAAC using an agreed assessment criteria, with recommendations for funding being provided to the SRA Board.

Role of Regional Coordinators

- Convene and facilitate project development groups.
- Ensure rigour and consistency in the project development process and outputs.
- Drive the process to meet timelines.
- Manage regional challenges/issues as they arise.
- Manage milestones of regional projects.
- Involve regional SRA Adoption Officers in the process.
- Allocate regional SRA Adoption Officers to relevant projects as required; monitor and manage performance.
- Ensure all evaluation and reporting elements are completed and communicated back to stakeholders.

Role of Executive Manager

- Oversee the process of commissioning and developing projects.
- Oversee cross region and industry project development processes.
- Manage Regional Coordinators to ensure consistency of process and output.
- Drive the process to meet timelines.
- Work to garner co-investment in key priority areas.
- Ensure all communication and stakeholder engagement occurs throughout the process.
- Support Regional Coordinators around process and stakeholder management.
- Establish and oversee a transparent process for assessment of project proposals and associated contracting and management.

4. MONITORING, EVALUATION AND REPORTING

All approved projects must include detailed monitoring, evaluation and reporting elements.

Individual project Monitoring, Evaluation, Reporting and Improvement Plans (MERI Plans) will be collated into an Industry MERI Plan to ensure efficiency of data collection and reporting linked to the Industry Adoption and Investment Strategy;

The Regional Coordinator – Herbert will also fulfil the role of Manager – Evaluation and Reporting and assist the Executive Manager – Regional Delivery in achieving this key objective. Details on how this will operate will be outlined in a separate document which will also detail how the commissioned projects are to be developed.

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