

## CASE STUDY: AN ADVISER'S VIEW

If you can't measure it, you can't manage it; components of a farm business.

### MARK GARDNER

Principal, Vanguard Business Services, Dubbo NSW.

Armed with a degree in Agricultural Science, Mark Gardner has worked as a wool classer, jackaroo, property overseer and agronomist before establishing Vanguard Business Services in Dubbo NSW in 1995. Mr Gardner now coaches farm family businesses in Queensland, New South Wales and Victoria, to support change around land health, animals, people/wellbeing and profitability.

Mr Gardner is familiar with financial, social and environmental benchmarking, and has worked with universities, industry and research and extension organisations including Meat & Livestock Australia and Australian Wool Innovation on innovative natural capital and farm-based projects. As a member of the *Farming for the Future* delivery team, Mr Gardner provides subject matter expertise and from-the-ground knowledge to support the economists and ecologists.

In addition to this advisory role, Mr Gardner has been directly involved in the research by gathering data from a number of his clients who make up some of the 130 Australian farms taking part in the initial phase of the *Farming for the Future*, a multi-year study aiming to quantify the contribution of different types of natural resources to profitability. The feedback he's received from farmers during the process has been very positive..

"All farmers involved in *Farming for the Future* are highly enthusiastic and just so eager for the data. They're anticipating that there will be great value in the information, particularly in understanding the relationship between natural capital, productivity, profit, and well-being, once it can be measured," Mr Gardner said.

A farm has traditionally been valued above the ground, with infrastructure, stock, machinery and other tangible assets contributing to the perceived health of the business. Considering natural capital as a productive resource and as capital, gives farmers additional information to support their decision making. *Farming for the Future* offers the possibility of measuring crucial components of businesses that were previously challenging to quantify.

"The initial impact of natural capital measurement will be seen 'inside the fence line' by allowing a business to use the information to improve their own farm performance. Greater knowledge about how natural assets influence production will inform on-farm investment and management decision, for the benefit of the farm and farmer.

"Additionally, farmers who can demonstrate that their production practices improve the farm's natural capital can potentially access markets beyond the traditional commodity market. The ability to credibly measure and demonstrate these aspects of production can create valuable opportunities in nature-based markets, where goods produced with an emphasis on biodiversity and ecosystem enhancement, may hold greater value," Mr Gardner said.

Farmers won't be the only ones to benefit from the understanding of the ecological health of their landscapes. Farm consultants and advisors are presented with an opportunity to broaden their advice through understanding how natural capital relates to financial components of a farm business. The supply chain will have a more credible measurement of its environmental and carbon footprint, financiers will be better able to assess risk, and governments will be better placed to establish useful and appropriate markets and systems.

As Mr Gardner says, "we can tell a really compelling story of Australian agriculture and the way we produce our goods."