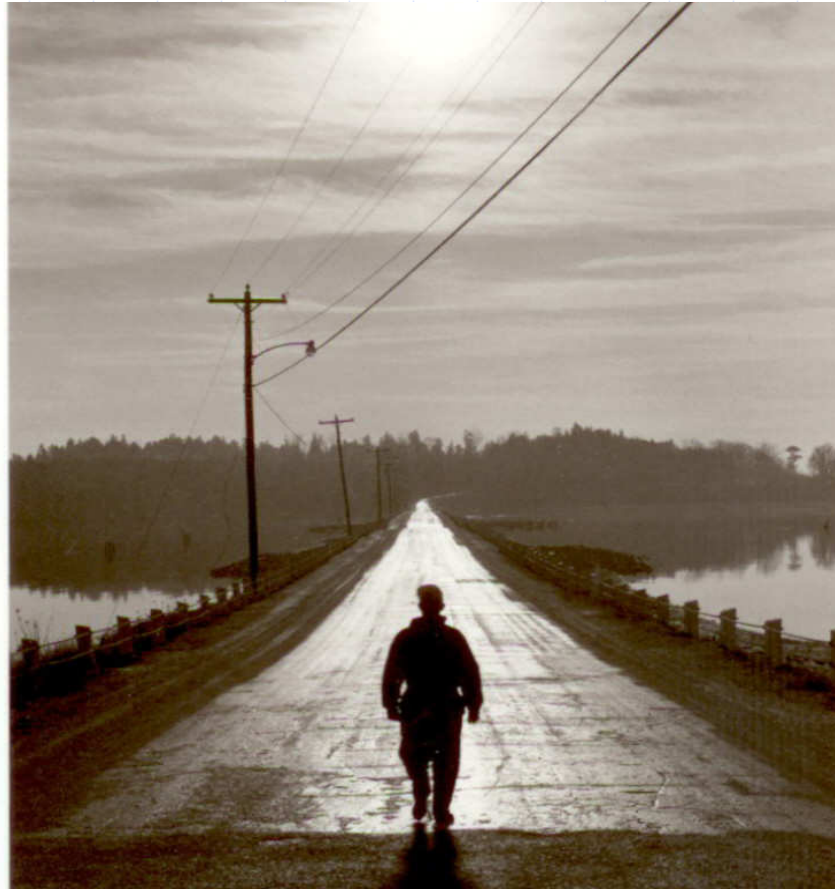




Alberta Agricultural Industry Governance Review: **A Blueprint for Moving Forward**

Freda Molenkamp-Oudman
November 23, 2007

“Life shrinks or expands in proportion to one’s courage”



Why are YOU Here?

- ◆ Recognized industry leader in the agricultural sector
- ◆ Skill sets and expertise
- ◆ Personal perspective and experience

Your Role for Today...

- ◆ Provide input to and build on emerging solutions for our industry's future
- ◆ Share your personal perspectives rather than achieve group consensus
- ◆ Focus on direction-setting rather than specific problem solving
- ◆ Actively participate

Role of the Facilitators...

- ◆ Keep track of time
- ◆ Keep group on task
- ◆ Encourage full participation
- ◆ Process experts vs. content experts
- ◆ Collect completed worksheets/books

Role of other guests...

- ◆ Active listeners
- ◆ Seek clarification as needed
- ◆ Provide content information if required

Process Principles for our Working Session

- ◆ Consensus is not our primary objective – your personal input is
- ◆ Complete the assigned tasks – your additional feedback can follow
- ◆ Build forward -- co-create solutions
- ◆ Positive outlook

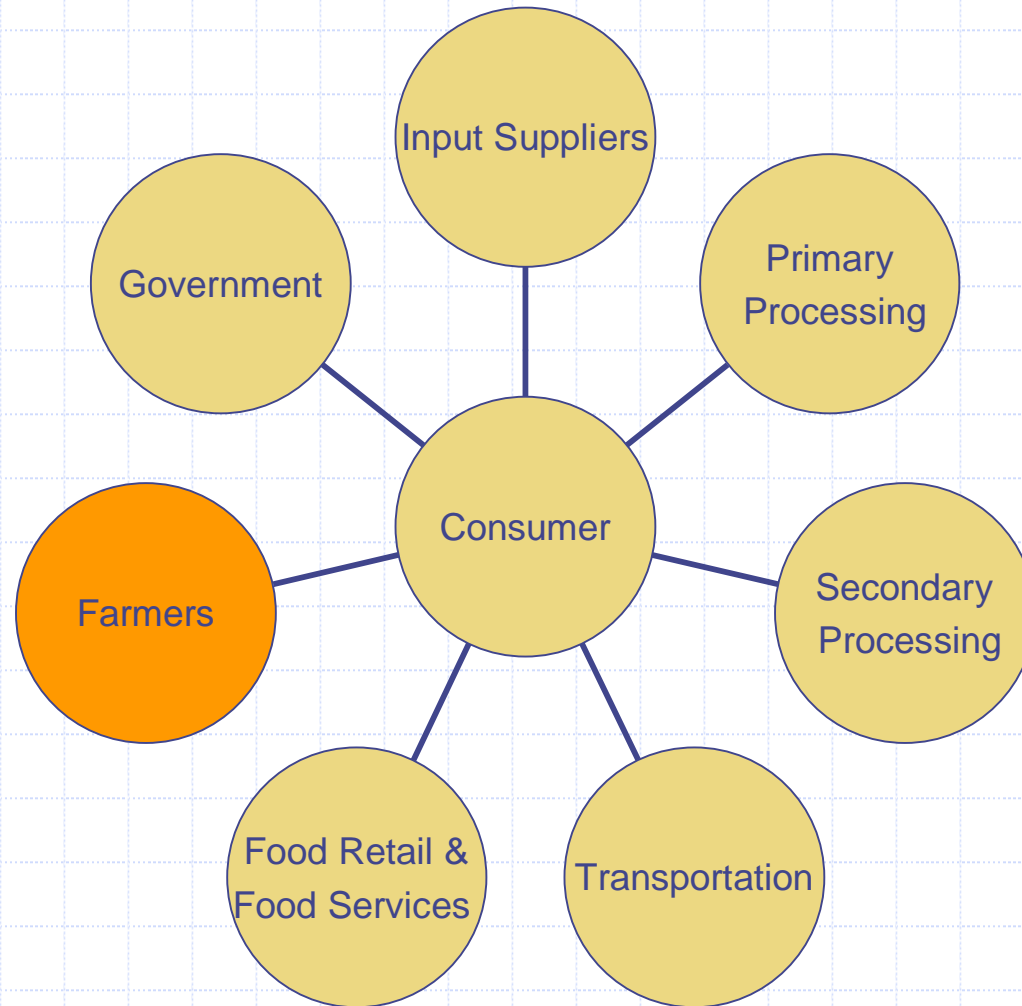
What is Industry Governance?

- ◆ **“*Good governance* is about both achieving desired results and achieving them in the right way”** (Institute of Governance)
- ◆ **“The use of institutions, structures of authority and even collaboration to allocate resources and coordinate or control activity in society or the economy”** (Wikimedia)
- ◆ **Competitiveness = hard work + good governance + brains** (The Economist, July 2007)

Why has this Review become bigger than Marketing Council's mandate?

- ◆ The agricultural industry is a complex system
- ◆ Solutions are found collectively in policy, legislation, cultural shifts, clarity of roles, organizational structures, processes, and leadership

Farmers are one piece of a large, dynamic and interconnected industry



Good Governance Principles:

- ◆ Strategic direction
- ◆ Measurable impact
- ◆ Financial health
- ◆ System and Organizational performance
- ◆ Board and Director performance
- ◆ Risk management
- ◆ Legitimacy and voice

We're not Alone...

- ◆ Board Governance Task Force
(At A Crossroads)
- ◆ Ontario Federation of Agriculture
- ◆ Dairy Farmers of Canada

1987...Where were you?

- ◆ Chernobyl Accident aftermath
- ◆ Halley's Comet
- ◆ Brian Mulroney was Prime Minister
- ◆ Don Getty was Premier
- ◆ Edmonton beat Philadelphia for the Stanley Cup
- ◆ Sidney Crosby was born
- ◆ "That's What Friends Are For" was song of the year
- ◆ Price of a dozen of eggs \$0.95

Background

- ◆ Marketing of Agricultural Products Act (MAPA) last reviewed in 1987.
- ◆ To our knowledge, the overall industry governance has never been reviewed.
- ◆ Roles have changed dramatically in the last 20 years
- ◆ Changing demands/responsibilities.
- ◆ Increased complexity and impact

Background

- ◆ Myriad of government and non-government organizations
- ◆ Shrinking pool of resources (e.g., financial, people, time)
- ◆ Marketing Council's role and manner of operating has changed

Background

- ◆ Our competitors (globally and domestically) are organizing themselves very differently in an attempt to be more effective, efficient and strategic.
- ◆ Collaboration among industry groups and interests has been difficult and driven by issues more than mutual strategies and objectives.
- ◆ Players outside agriculture have greater influence on our industry

Key Steps in the Industry Governance Review

- ◆ March 2, 2006
- ◆ November 16, 2006
- ◆ Consultation with 20 Boards and Commissions + other industry stakeholders
- ◆ Regional Cross-commodity Discussion Groups
- ◆ November 23, 2007
- ◆ Co-creation of recommendations by Boards and Commissions, industry stakeholders, Marketing Council and the Minister
- ◆ Spring 2008

Industry Governance Working Group

Marketing Council Members:

Don Macyk (Council Chair)

Kenton Ziegler

Doris Ludlage

Marketing Council Staff:

Jackson Gardner (GM)

Maryann Urbanowski

Freda Molenkamp-Oudman (lead)

Agriculture & Food Staff:

Bob Prather

Martine Bolinger

Framework Partners Inc.:

Donna Finley

- ◆ Actively communicate and engage stakeholders
- ◆ Oversee the governance review process ensuring it is transparent, open, timely, action oriented and confidential where appropriate
- ◆ Listen to industry and work with industry to co-create recommendations for improvement

Industry Governance Group

Marketing Council Members:

Kenton Ziegler (co-chair)

Doris Ludlage (co-chair)

Industry Representatives:

Darcy Fitzgerald

Ellen Goddard

Ron Axelson

Doug Hooper/Barb Isman

Rick Istead

Don Brookbank

Mike Leslie

Framework Partners Inc.:

Donna Finley

- ◆ Foster a supportive, trusting and open environment with stakeholders
- ◆ Provide input from a broader industry-wide perspective
- ◆ Assist in co-creating recommendations for improvement



Consultation has been Extensive

“Mixing wines may be a mistake but old and new wisdom mix admirably”



“If everyone is thinking alike,
then somebody isn’t thinking”



From → To Worksheet

◆ Positive repositioning

◆ Individual Input

◆ Options:

- Agree
- Agree with Revisions (please specify)
- Do not Agree (please specify)

1. Agriculture is an end...

**Agriculture is the
foundation**

2. Maintaining status quo...

**Recognizing the need
for continuous
advancement**

3. Apathy and lack of engagement...

**Acting with urgency
and impact**

4. Struggling industry...

**Viabile and sustainable
industry**



5. Reactive...

Pro-active

6. Fragmented...

**Organized and
responsive**

7. Operational Focus...

Strategic Focus

8. Self- Interest/Independent...

**Collaborative,
cooperative and
networking**

9. Self- Interest/Independent...

**Collaborative,
cooperative and
networking**

10. Conflicting and reactive
policies...

**Enabling and strategic
policies**

11. Commodity and supply-
focused...

**Consumer and demand-
focused**

12. Government-directed R&D priorities...

**Responsive, industry-led
R&D system and
priorities are identified
through industry/
government partnership**

13. Government-led or partnered industry development...

**Industry-led business
and industry
development with
government support**

Definition of Principles

- Statements about one's fundamental beliefs and/or mode of operation/behavior
- They are relatively constant
- They are often used as a benchmark – do our actions support our principles?
- Need a workable framework of principles in order to move forward

Governance Principles Worksheet

- ◆ Working Groups

- ◆ Individual Input

- ◆ Options:

- Agree

- Agree with Revisions (please specify)

- Do not Agree (please specify)