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"The ultimate goal of farming is not the growing of crops, but the cultivation and perfection of human beings."

MASANOBU FUKUOKA

Laying the Foundations for a Sustainable Agro-business

Rodeo Farms (not real name) wants to build a sustainable cattle ranch that will provide meat and dairy products to customers in Nigeria.

About Rodeo Farms

Rodeo Farm is a 10-acre cattle farm based in Abuja, Nigeria. The owner's plan to make the farm a top-notch commercial cattle enterprise in Nigeria involved with the rearing and fattening of cattle and other ruminants for meat and dairy and the processing of same. The plan was to start small and gradually increase the capacity of the farm by buying more land as the business grows.

Already, Rodeo Farm had taken the first steps towards achieving its goals by introducing its first set of cattle early in the previous year (2020) which they successfully sold on maturity. This foray coupled with an understanding that agriculture is a business necessitated the development of a business strategy.

The Brief

The brief was to develop a strategic plan that will build on the initial success enjoyed by the company while strengthening its processes and maintaining its focus on being a top-notch commercial cattle farm in Nigeria. The strategy will provide Rodeo Farm with a clear direction for its business for the next 5 years, all things being equal.

Our Approach

We identified four priority areas for Rodeo Farm, which formed the basis of the plan. The underlying focus was to put in place the systems that will enable Rodeo Farm to achieve its goal of being a recognised player in the cattle farming industry. The five-year target of the strategy is to provide the company with the time it needs to implement and institutionalise the objectives that were developed. It also underscores the level of commitment and focus needed to achieve each objective. This in no way affects the need for Rodeo Farm to remain alert to its environment and any new changes that may necessitate a change in focus or direction.

The Process

1. We Identified the goals in line with the vision of the owners of the business
2. Analysed the external factors that will impact the business which included
 - a. Conducting a SWOT analysis
 - b. Conducting a market analysis to examine recent and future prospects for livestock production
 - c. Reviewing areas of competitive advantage
3. Analysed the internal factors that will serve as enablers for achieving the objectives by reviewing the business concept. This included
 - a. Reviewing the product
 - b. Identifying what makes it unique and
 - c. Analysing the target market

SWOT ANALYSIS

SWOT Analysis of Cattle Farming	
STRENGTHS	<ul style="list-style-type: none"> • Beef is not a seasonal product and can be eaten almost every day and at any time of the year. • Beef is environmentally friendly. • <small>high profit</small> margin • Beef consumption in Nigeria has no religious, tribal, or ethnic barriers. It is consumed across all ages, ethnicities, and religions. • Availability of a suitable climate for ranch development
WEAKNESSES	<ul style="list-style-type: none"> • Capital intensive: starting an animal ranch business requires a large capital funding as well as high production costs. • Scarcity of technical/skilled manpower to manage breeding programs • <small>Database and statistics</small>: The industry suffers from a lack of reliable and up-to-date data and statistics, which are essential ingredients for proper planning, research, and development.

OPPORTUNITY	<ul style="list-style-type: none"> • Demand for meat: With the advantage of Nigeria's population of over 180 million people and rising middle class, it provides the greatest opportunity for market growth. • Sustained ban on the importation of beef in Nigeria • Availability of ready markets in the Abuja and adjoining states • Favorable government policies for agribusinesses in Nigeria • A large and successful cattle farm will contribute to the nation's quest to ensure food security. • Opportunities for expansion into large beef processing
THREAT	<ul style="list-style-type: none"> • Changes in regulation can impact businesses. E.g., government policies on the importation of beef and products available from countries with lower production costs and processing capacity

- An outbreak of disease can ruin the entire business within a short period of time.
- highly capital intensive
- rising interest rate in Nigeria, which will affect the cost of funds.

The analysis of the factors above provided the information we needed to develop objectives and the strategies to achieve them. The strategies were developed to focus on 4 areas namely the customers, financial impact, internal processes and its people. Finally we developed an organisational chart and a 5 year financial plan for the company.

Result

We provided the client with a clear and compelling strategy that contained all they needed to build a successful meat and dairy production and processing business.