People Make the Difference

A Review of the

Australian Rural Leadership Program

The Australian Rural Leadership Program’s Objective:

To improve the competitiveness and profitability of rural industries in an international context, for the benefit of all Australia, through the development of highly capable leaders in the rural industries and the support community.
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FOREWORD

In November 1992, the Australian Rural Leadership Foundation launched a national leadership development program for the rural sector. The Australian Rural Leadership Program, an initiative of Rural Industries Research and Development Corporation, aimed to improve the competitiveness and profitability of rural industries through the development of leadership capability in a modern international context within industry and the support community.

The Program comprises a two-year part-time course, conducted in Australia and overseas, during which participants develop leadership skills, examine and analyse key national and international issues, and interact with a wide range of leaders in government, industry and the community. They then continue their involvement, education and networking through a graduates association, The Australian Rural Leadership Network.

The Program is designed for the development of the men and women who will lead rural and regional well into the next century. Those selected attend the course for some 60 days, mostly in week-long sessions, over the two years. Participants are normally 30 to 50 years of age and are already active in industry and community affairs.

The Program is funded through scholarships provided by a range of rural and related industries, rural research and development organisations, industry bodies and government agencies. Australian Rural Leadership Foundation is a non-profit making public company limited by guarantee.

Since the start of the Program, a total of 61 participants have graduated, 32 participants are currently completing Course 3, 31 participants have started Course 4 and the Foundation is currently seeking candidates for the fifth course.

At the launch in 1992, Rural Industries Research and Development Corporation and the Foundation agreed to review and evaluate the Program at the end of the second course (late 1996). To this end, the two organisations initiated and jointly funded this review which was conducted by three independent consultants, Geoff Allen, Margot Cairnes and Rick Farley. Their task was to evaluate the Program and make recommendations which might add to its quality, effectiveness and appeal.
We believe that the Report confirms the success of this far-sighted initiative and provides the sponsors of the Program with confidence that their investments are yielding significant returns. The panel’s recommendations provide the Foundation with sound suggestions for improvement.

We would like to thank Geoff Allen, Margot Cairnes and Rick Farley for agreeing to participate in the review and for their perceptiveness and judgement in carrying it out. We congratulate them on their Report. We would also like to acknowledge the efforts of Keith Hyde who provided the executive support and undertook the background research.

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Some ARLP Graduate Achievements.

Paul Brown (Course 1) and Hugh Sutherland (Course 3) have been elected Councillors of the Wool Council of Australia.

Sarah Cooke (Course 1) has become very active in industry affairs and has been appointed a Director of the Dairy Research and Development Corporation and Treasurer of the United Dairy Farmers of Victoria.

Sandy Cameron (Course 1) has been appointed Executive Director of the South Australian Farmers Federation.

Phillip Evans (Course 1) has also been appointed as a Director of the Dairy Research and Development Corporation.

George Gardiner (Course 1) has been appointed Chairman of the Ord River District Cooperative and a Director of the Ord River Development Association.

Trudy Huczko (Course 2) has been appointed as an Adviser to the South Australian Minister for Primary Industries.

Rosanne Kava (Course 3) has been promoted to the position of Assistant Secretary within the Senior Executive Service of the Commonwealth Department of Primary Industries and Energy.

Mike Logan (Course 1) has been elected as a Director of the Australian Cotton Foundation.

Ned McCord (Course 2) has been appointed General Manager, Northern Division for the Tipperary Group of Properties which includes management responsibility for the company's six properties in the Northern Territory.

Norm McAllister (Course 1) has been appointed Chairman of RIRDC's Rice Industry Research and Development Committee and a member of the interim board of the new Cooperative Research Centre for Sustainable Rice Production.

Lisa Palu (Course 1) has been appointed as an adviser to the Queensland Minister for Primary Industries.
Nigel Scullion (Course 2) has been elected as Chairman of the Australian Seafood Industry Council.

Russ Taylor (Course 2) has been appointed as Principal of the Australian Institute for Aboriginal and Torres Strait Islander Studies.

Lisa Wilson (Course 2) has been promoted to the position of National Grains Merchant within the Australian Wheat Board.
1. Overview

The Australian Rural Leadership Program is one of the most significant investments made in the rural sector in the past decade. Although the Program only started in 1992, it is yielding impressive short term returns and we fully expect that these will continue to grow exponentially into the future.

In our view, the Program is meeting a critical need for higher level leadership development in rural industries and rural communities, is on the right track and is making a difference.

We commend Rural Industries Research and Development Corporation for its foresight and courage in initiating the Program and for establishing the Australian Rural Leadership Foundation. We also commend the Foundation for developing and conducting an exciting, world-class leadership development program which should improve the performance of rural enterprises and give Australia's rural sector a strategic advantage in the global marketplace.

Although only 61 participants have graduated so far, we have been impressed with many of their achievements. In the course of the Review, we met with a number of these graduates and we were struck by their vibrancy, vision, optimism and grasp of the big issues. We were also impressed with their commitment to leading their industries and to the development of their Network.

We formed a view that these men and women have been exposed to a range of experiences, and have developed the skills, knowledge and contacts, necessary to make them effective in higher level leadership roles. As a result, we expect that they will take on key leadership roles in industry and the community much earlier than otherwise would have been the case, and we note that this is happening already.

Successful Australian and international organisations realise that people make the difference and are placing a high priority on identifying, nurturing and developing their future leaders. They are also starting to recognise that the management methods traditionally used to transform organisations fall short because they fail to alter behaviour.

We believe that this Program addresses these issues and provides an excellent opportunity for all sectors of rural Australia to start to develop the people who will lead change in their industries and communities in
the increasingly competitive and fast moving economic environment of the 21st Century. We see the Program as a significant intervention in the rural sector.

We strongly support the national approach to the Program and the diversity of its participant group. This is most appropriate for a sector which has few large corporations and many relatively small businesses and communities spread across a large continent.

During the course of this Review, we found that perceptions of the Program varied considerably and that these perceptions often influenced the level of support and interest from particular sectors. A program as new and as different as this one will always have this difficulty, particularly as most frames of reference are traditional academic or management development courses.

This Program is not just about gaining knowledge, skills and competencies. It is about attitude, preparedness to change, developing vision, commitment, experience, interaction, challenging the status quo, presenting arguments, managing risk and obtaining support from a constituency. The Program addresses the less tangible factors which make leaders more effective. In some ways it challenges the view that leadership can only be developed in the "school of hard knocks".

These concerns are best addressed by increasingly promoting, explaining and publicising the Program. In terms of perceptions, the overall cost, the outdoor activity in the Kimberley and the overseas trip were seen to be the major issues.

Some respondents perceived the Program to be very expensive at $35,000 per scholarship. While it is certainly the most expensive development program designed specifically for the rural sector, we found it to be very good value for money for a two-year (60 day) course when compared with non-rural higher-level management development programs. We considered that it was particularly good value as the cost per person covers all domestic air travel and accommodation, a three country (16 day) overseas module, a 13 day Northern Australian module, and six week-long modules in the various states of Australia.

Our comparative analysis indicates that the Program is less expensive (on a pro rata basis) than most of the higher-level management courses and is significantly less than many organisations in the
corporate sector invest on development of key executives. For example, the ARLP costs around $580 per person per day (inclusive of travel costs) compared with around $600 per person per day (exclusive of travel costs) for some of the better known management development programs.

Perhaps the greatest differences of view revolved around the activity currently conducted in the Kimberley area of Western Australia. Perceptions ranged from it being a holiday in the countryside to a "survival exercise run by ex-military types".

We believe that this activity is one of the keys to the success of the Program. It is conducted over 10 days of the 13 day N Australian module (which looks at a range of issues including trade and economic development on the Ord River and in Darwin). The Kimberley activity includes leadership development through experiential learning and exposure to aboriginal people, pastoralists, and other local residents.

The experiential learning activities, and the Kimberley environment, have had a significant impact on most, if not all, of the participants. They have been most powerful and effective in developing: shared purpose; an understanding of the individual's physical, emotional and intellectual strengths and weaknesses; the ability to work in groups and teams; the ability to recognise, understand, manage and take risks; an understanding of the importance of communication, and an understanding of the different leadership styles.

We support this concept of experiential learning and in the heightening of the experience through undertaking it in a remote part of Australia, where there are complementary benefits of exposure to indigenous, infrastructure, economic and environmental issues. We strongly endorse this activity and emphasise that the quality of the activity should govern its location. In endorsing this activity, we recognise that there are physical and emotional risks associated with it and encourage the Foundation to continue to pay very close attention to assessing and managing them.

Another of the great strengths of this Program is the overseas module. It is essential for the development of leaders in all areas of rural Australia that they are exposed to the economy, politics and culture of other countries. In this Program, participants visit three countries where they look at a range of issues including trade and market opportunities, competition, joint ventures, support networks and national
characteristics. From our analysis, we believe the overseas module is excellent value for money and should be retained. However, we do suggest that greater weighting be given to understanding the social and political drivers and power structures in the countries visited.

In this Review we also looked at the Foundation’s links with regional leadership development programs, participant mix, course size, the curriculum, evaluation systems and funding of the Program.

We note that, while the Foundation has properly concentrated on developing and establishing the Australian Rural Leadership Program, there are concerns in some industries about the Foundation’s ability to meet their critical needs for advanced leadership development quickly enough. We believe that the Foundation should actively develop its linkages with the emerging regional leadership development programs and that Rural Industries Research and Development Corporation should sponsor further research to assist leadership development in rural Australia.

While there has been a strong response from applicants for the first four courses, there is some concern that the Program is not yet sufficiently well known and as a result is missing out on some of the candidates with the greatest potential. We consider that a combination of increased promotion of the Program and its achievements, support for intermediate feeder programs and more help from the graduates to indentify and encourage suitable applicants will rectify this.

Another strength of this Program has been the diversity of the participant group. We strongly endorse this approach and suggest that it be balanced with the need to develop more leaders for the mainstream rural industries. To this end, at least 60% of the participants on each course should be from the rural industries, at least for the next few years.

We note that the Foundation is monitoring the performance of its participants and graduates through internal and independent external evaluations. However, these evaluation systems are currently competency based and need to be developed further to provide greater sensitivity and better feedback for the Program development. The success of the Program will be measured primarily by the performance and achievements of its graduates and systems should be developed to evaluate this. On-going evaluation is most important to provide feedback to participants, the Program managers and sponsors of scholarships.
Our analysis of the curriculum and our own insights into leadership development, along with feedback from some of the graduates and current participants, suggest that more weight needs to be given to the process used to help participants make optimum use of the knowledge and skills gained on the Program. We also suggest that, in developing the curriculum, the Foundation seek to link program delivery to objectives, strategies and performance indicators which in turn are linked to the key requirements for effective leadership in rural Australia.

We do not see any need to amend the current structure of the Foundation. We think it is appropriate that the Foundation is a not-for-profit public company with a Board of Directors comprising prominent Australians and two graduates of the Program.

The Foundation has done remarkably well in developing a financial base through its successful scholarship approach to funding the Program, which is raising some $1.2 million per course. We are impressed by the diverse mix of organisations which are funding scholarships and by the funding partnership which has been developed with the rural research and development corporations, industry and state and federal government agencies. We commend Rural Industries Research and Development Corporation for its investment of some $1.3 million in the establishment and development of the Program and recommend that it continue to be involved through the funding of scholarships for the smaller and emerging rural industries and for rural communities.

We consider it is appropriate that the rural research and development corporations continue to maintain a firm funding base for the Foundation by sponsoring at least a third of the positions on each course as part of their key role in developing their industries and the skills and knowledge of their primary constituents. We commend these organisations for their commitment and involvement so far.

The Foundation will need to consider increasing industry sponsorship of scholarships to replace some of the government funded scholarships as programs are wound back in the next year or two. However, it is important that as industry funding increases the Foundation seeks to have a number of open or untied scholarships to enable it to attract the highest calibre candidates with diverse rural backgrounds to the Program.
While the Alumni, the Australian Rural Leadership Network, was not specifically included in the Terms of Reference for this Review, their activities and relationship with the Foundation are critical to the future success of the Program. The graduates are the Foundation's best advertisements. They should support the Foundation through identifying and encouraging potential candidates, assisting in the selection process, assisting with Program activities, ensuring that their industry continues to support the Program through scholarships, promoting the Foundation's activities and continuing their own leadership development.

We endorse the Foundation's support for and close links with the Network, which should be an organisation which promotes ongoing learning and discussion on leadership in rural Australia. It is crucial that the Network remain bipartisan and does not take on any sort of lobbying role.

The leadership task in rural Australia is becoming more critical and demanding as issues are getting more complex, decisions have to be made more quickly and leaders are more exposed by global communication systems and advancing technology. Having enough good people coming through the ranks has been a major issue for rural industries as it has been for industries and companies around the world.

The Australian Rural Leadership Program is already making an impact on developing a new generation of rural industry and community leaders, equipped with advanced skills, a thirst for knowledge, a vision, and a determination to make a difference.

This is an outstanding Program, which is very well run and which is getting good support from industry, government and the community. We are most impressed by what the Foundation, the sponsors and the participants have achieved in such a short time.

We congratulate the rural sector for taking this initiative.

**Recommendations**

1. That Rural Industries Research and Development Corporation continue to support the Foundation through scholarships for participants of the smaller and emerging rural industries and from rural communities generally.
2. That the Foundation actively develop its linkages with regional leadership development programs with a view to collaborative research, the joint development of resources and curriculum materials, the development of synergistic programs and the interchange of ideas between programs.

3. That the Rural Industries Research and Development Corporation support research on Australian rural leadership and the development of leadership development modules which can be used by both national and regional programs.

4. That the Foundation increase promotion of the ARLP and the achievements of graduates within industries and within the rural community in order to attract more of the top line applicants.

5. That the Foundation consider supporting intermediate level leadership and other programs which can act as feeder programs to the ARLP.

6. That ARLP Alumni take action to promote the program amongst their peers and to seek out and encourage applications.

7. That a diverse mix of participants from rural industry, the community, service sectors, union and environment groups continue to be selected for each ARLP course with the balance being at least 60 percent in favour of rural industry participants, at least for the next few years and that course size continue to be maintained at 30 to 32 participants.

8. That the Foundation recognise the subsequent leadership role and performance of its graduates as a key performance measure of its activity and establish and maintain appropriate records to do so.

9. That more emphasis be given in the program curriculum to;
   _ the development of the person and the interpersonal skills behind the leadership role,
   _ the development of skills in upward management, including the politics of organisations and boards, and
   _ the development of an understanding of the need for, and provision of personal support, including family relationships,
working on the whole system including, family, community and industry, and inclusion of more female and also non-anglo saxon role models in the program.

10. That a revised format be adopted for the curriculum to link the program delivery to outcome orientated objectives, strategies and performance indicators which in turn are linked to the key leadership attributes which the Foundation is endeavouring to develop in its course participants.

11. That the Foundation continue to support the Australian Rural Leadership Network (the Alumni) and encourage the development of the Networks continuing education and leadership enhancement activities.
2. Introduction

The rural community is facing many concurrent challenges including rationalisation in the delivery of services by government agencies and the commercial sector, the deregulation of global commodity markets and increasing competition at home and abroad for farm products, community pressures for less exploitive land management practices and for reduction in the use of chemicals in agriculture. At the same time, the rural community has many opportunities being opened by access to global communication and information systems, new markets, research and self determination in marketing and community services. The operating environment is becoming both more complex and subject to more rapid rates of change.

The complexity and rate of change in the operating environment is making many new demands on the rural family, the farm business, community services and rural industries. It is making new demands on rural leaders, their constituents and also on those who are content to stand by and watch the activity around them. Rural community, business and industry leaders are facing challenges which are outside their past experiences and, in many instances, for which they are not well equipped to address.

It is in this environment that the Australian Rural Leadership Foundation is running two year part-time leadership development programs aimed to better equip the next generation of rural leaders for the challenges and demands of their communities, industries and farm businesses.

This report is of a review of the Foundation’s Australian Rural Leadership Program and was undertaken in the period October 1996 to March 1997. The report closely follows the terms of reference for the review set down in Attachment 1. Section 3, which follows this introduction, outlines the background to the review, its focus and the review procedures adopted by the review panel. Section 4 summarises the background to the formation of the Foundation and the development of its leadership development program since 1992.

Section 5 addresses the continuing need for higher level leadership development in rural Australia and the extent to which this is being addressed by the ARLP. In this section of the report, the panel has reviewed the recent research and complimentary reviews of management and leadership development in Australia and has also drawn its conclusions from its own independent inquiries and surveys.
In Section 6, the panel has addressed the cost effectiveness of the program and has made some cost comparisons with other leadership and management development programs supported by both the rural and business community.

Section 7 of the report addresses the appropriateness of the level and mix of participants in the program, the performance of participants and graduates and the effectiveness of the Foundation’s evaluation systems. Section 8 addresses the structure and conduct of the program and the program curriculum.

Section 9 addresses the structure of the Foundation and its operating systems including its corporate structure, membership base, staffing, funding, public relations activities and the Alumni.

The main body of the report is supported by a number of appendices including a bibliography of some of the recent literature on leadership considered during this review.

The review would not have been as effective without the support and cooperation of the Foundation’s staff, the graduates and current participants in the ARLP program and the submissions made by many people in the rural community, rural industry and supporting agencies. All of these inputs to the review are gratefully acknowledged.
3. **Background to and Conduct of the Review**

This review was initiated by the Board of Australian Rural Leadership Foundation in consultation with the Rural Industries Research and Development Corporation to assess the progress being made by the Foundation in developing higher level leadership skills in rural Australia and to determine improvements which could be made to the Foundations operations. The review also meets an ARLP commitment to RIRDC, in response to the RIRDC agreement to provide a five year financial commitment to the program, to review the Foundations operations in its fifth year and before the commencement of Course 4.

The review panel, appointed by the Foundation, comprised Mr Geoff Allen, a prominent Melbourne based adviser to business and government, Ms Margot Cairnes, a Sydney based personal mentor and adviser to corporate leaders and Mr Rick Farley, a consultant to industry and formerly Executive Director of the National Farmers Federation. Executive and background research support for the review was provided by Mr Keith Hyde, an Associate and former Managing Director of the Rural Industries Research and Development Corporation.

All graduates of and current participants in Course 3 of the program, sponsors and a wide range of industry associations and community groups were invited to make an input to the review. In particular, sponsors, industry and community groups were asked about the impact of the program on business, industry or community affairs, if they have personal contact with graduates, what are graduates doing differently now which can be attributed to participation in the Australian Rural Leadership Program, about their assessment of the continuing need for higher level leadership development programs in rural industries and the rural community and how well the ARLP is fulfilling that need. Graduates and participants were also asked about the impact of the program on them personally and how they now approach their personal, business, industry and community affairs.

Seventy-two industry and community organisations, sponsors and individual graduates and participants responded to the invitation to contribute to the review (Attachment 3).

In addition, the panel members met with the ARLP Executive Director, staff, the Chairman of the Australian Rural Leadership Network and several graduates in Canberra on 21 November. The review executive officer met separately with groups of Course 2 and Course 3...
participants during their September and October sessions, undertook reviews of the recent leadership literature and other leadership programs now available to rural Australians and either met with or had telephone conversations with a wide range of people about the review. Several partners of ARLP participants also contributed to the review.

The panel members were satisfied that the views and interests of a sufficiently broad cross section of ARLP stakeholders were canvassed during the review and that the responses were representative of the community and industry interest as a whole in the future of the ARLP.
4. **History of the Australian Rural Leadership Program**

The Australian Rural Leadership Foundation Limited was established on 27 August 1992 as a not-for-profit company limited by guarantee in the Australian Capital Territory. The Foundation was conceived and established by the Rural Industries Research and Development Corporation to enhance the competitiveness and profitability of rural industries through the development of leadership capability in a modern international context within industry and the support community. The Corporation undertook to provide $1.35 million over 5 years to underwrite the Foundation's establishment and the development of the Australian Rural Leadership Program.

The establishment of the Foundation was preceded by some 18 months of review, research and development work by the Corporation. The initial concept evolved from a RIRDC review of key factors in the development of new rural industries and action that the Corporation could take within its charter to encourage the development of new industries and rural communities. RIRDC staff and directors consulted widely with rural industry and community organisations, educational institutions and others providing personal development programs and especially with the then recently established, Melbourne based, Williamson Community Leadership Program. Overseas rural and community leadership development programs were investigated. In October 1991, RIRDC brought Dr Gene Rapp, a recently retired, former Executive Director of the Californian Agricultural Leadership Program, to Australia for a series of meetings and consultations with rural and related industry and community groups and the Corporation.

The RIRDC investigations confirmed the need for a rural leadership development program in Australia, the need for that program to be Australia wide, multi-industry and include community participants, the need for the program to be managed independently of the Corporation itself, the need for a high profile independent board and for the program to be owned and principally financed by industry and the community.

The Australian Rural Leadership Program was officially launched in Canberra in November 1992.

The first course, comprising 30 participants from diverse industry and community backgrounds and from all states and territories, started in April 1993. The initial concept to run overlapping two-year part-time courses with a new course starting each year was delayed by funding
constraints and an internal decision to fully test the program by completing Course 1 before commencement of Course 2. However, since the introduction of sponsorship scholarships in 1995, new courses have commenced each year and participants for the fourth course, to commence in April 1997, have been selected.
5. The Need for Higher Level Leadership Development in Rural Australia

Leadership means different things to different people depending on where each individual stands in the community, individual perspectives on life and on each individual's position on the community or industry leadership ladder. In the course of this review, we have received many submissions indicating a need for improved leadership and leadership skills in rural industries and rural communities. However, at the same time, we recognise that the many people in current leadership positions believe that they are doing the job to the best of their ability and available time.

In a 1994 report ÉLead Local Compete Globali for the Federal Government, McKinsey and Company argued that creation of world-class, self-reliant leadership in Australia's regions was critical to regional wealth creation. ÉGiven the task of rejuvenating a region and the choice of $50 million or $2 million and 20 committed local leaders, we would choose the smaller amount of money and the committed local leaders.É

In a subsequent report on regional development McKinsey's (1996) found that the most successful regional initiatives were driven by highly committed, dynamic leaders who gave Épersonal commitment, Éwere able to get things done, Éwere able to pull people along with them, and Éwere able to move mountains. They argued that sufficient world-class regional leadership will not emerge overnight. ÉHowever, as a nation, we must aspire to and expect to achieve nothing less. Twenty years from now we must have a culture of outstanding regional leadership to have the economies and lifestyle we aspire for our children. And our commitment (to leadership) today will be critical to that.É

The Boston Consulting Group suggested to the 1995 Industry Task Force on Leadership and Management Skills (the Karpin Task Force) that the typical leader/manager of the twenty-first century would be a leader/enabler with the following profile;

- male or female, wide range of ethnic backgrounds and citizenships,

- graduate, probably also with an MBA or AMP, wide ranging career, many placements, product of a major skills development program which includes placements,
global focus, travels regularly, has lived in two or more countries,
manages in both regulated and deregulated economies,
manages workforces in several countries, shares information and delegates heavily,
operates in an environment typified by rapid change, limited term appointment, high pressure, results driven.

Moreover Boston Consulting argued that, if senior managers and leaders of 2010 are to have such a profile, then the seeds of change and the imperatives of the new paradigm have to be inculcated in the current generation of junior managers.

Many Australian and multi-national companies have already initiated programs to develop their future leaders. BHP has established a new multi-million dollar Global Leadership Centre outside Melbourne. National Australia Bank has initiated an international program for key people from NAB and its subsidiaries around the globe. The multi-national, BP Oil, has also embarked on a global program involving US based Innovation Associates and Australian based Margot Cairnes. Several Australian companies have established The Leadership Consortium to manage a collaborative cross-company leadership development program on their behalf. Company programs to fast track professional development for high potential executives include rotation of company roles, management education opportunities and programs for the expansion of personal horizons and personal growth.

To our knowledge the ARLP is the only higher level program with similar aspirations for the rural sector.

Rural Community / Industry Leadership

Australia continues to adjust to the deregulation of the financial markets during the mid-1990s. Some commentators suggest that the adjustment process will take at least 15 years. The process of globalisation is inevitable and cannot be reversed. It is driven by the communication and technology revolution which allows the transfer of capital, knowledge and investment around the world. National boundaries are increasingly irrelevant.
Change on this scale is frightening and uncomfortable for many people. Many people are apprehensive about the future and yeam for a romanticised, idealised past which is safe and cloistered.

Leadership is critical, particularly during periods of significant change. The pace of change will continue to accelerate and increase the demand for leadership skills.

Rural Australia is largely export dependent and therefore more exposed to the pressures of globalisation than many other sectors of the Australian economy. Rural Australia is also more isolated geographically and has comparatively low education levels.

The farm sector historically has made low levels of investment in education, training and personal development. It is more exposed to the global pressures for change than other sectors but with less ability to provide the leadership necessary to identify the opportunities generated by change.

The rural sector's position is compounded by the hierarchical structure of farm organisations and their inadequate funding base. Most farm organisation representatives are male, in the 50 plus age bracket, and with experience restricted to agricultural production. There is no culture of active leadership development within most farm organisations.

While the 1995 Industry Task Force on Leadership and Management Skills addressed leadership development within Australian business generally (Midgley 1995), there are only a handful of analytical studies on leadership within rural industries and the rural community.

A 1994/5 study sponsored by RIRDC and Agriculture Victoria, Greg Cahill (1995) investigated eight diverse rural community groups in south eastern Australia to see if there were any common elements which allowed them to be more successful than other groups in achieving change within their communities.

The one common feature was that each had made the initial crucial decision that their destiny lay in their own hands. If anything was going to change, it had to be done themselves. Government programs can help, but they are not the solutions.

Each group had their own unique way to tackle their unique problem. However, there were a number of key components which needed to be addressed for each group to be successful in the longer term. These
included the need for local, dynamic leadership, the need for a common vision and goals, the need for skills training of leaders, the need for continual recruiting and injection of new ideas, the need for regular monitoring of performance and the need to involve local government and the local media in the activities of the group.

Funding and organisational structure were seen to be minor contributors to the ultimate success or failure of a group.

A 1990 survey of West Australian primary producers by the Muresk Institute of Agriculture indicated that 76 percent of respondents considered the development of leadership skills was vital in ensuring the future of their industries. They also indicated that 59 percent of producer respondents considered the current leadership in major commodity groups needed increased skills. They supported the identification of potential new leaders and the development of their skills.

Anecdotal reports, collated by the Rural Women's Unit within the Commonwealth Department of Primary Industries and Energy (1995), suggest that rural leadership courses have played a pivotal role in enabling many rural women to participate in decision making forums at the local, regional, state and national levels. Access to leadership training has affirmed and further developed their skills and has altered their perceptions of themselves as potential leaders.

However, the Unit noted that there are also many factors which limit rural women's access to leadership training opportunities including: course design, location and timing, their acceptance within industry bodies dominated by men, sponsorship for leadership training, access to child care and time away from the family.

Farm Entrepreneurs

Greg Cahill also manages the Victorian Farm Entrepreneur Award and has analysed the critical success factors in the large number of very diverse enterprises he has assessed over ten years of the award. In his research study and book ÒDon't dream it, do it: making money from new farm ideasÓ (Cahill, 1993), which was sponsored by RIRDC, he identifies training, money, vision, luck, hard work and some other mysterious unknown factor as the key success factors in the development of new farm based enterprises. Cahill believes that there is no shortage of ideas in our community, Òwhat is lacking is the skill to take an idea and convert it into a profitable enterprise.Ó
Cahill's twenty-two published case studies are essentially about vision, personal leadership, acquisition of the requisite knowledge and understanding and action to put all the plans and good ideas into effect in the very risky environment of new enterprise development.

**Leadership and Management Training Needs Analysis**

In a review of the need for leadership and management skills in Australia for the Karpin Task Force, Midgley (1995) noted the heavy reliance of the Australian economy on rural (agriculture and mining) enterprises, the relatively large number of small businesses with fewer than 50 employees, particularly in agriculture, the relatively low level of formal qualifications and continuing education amongst Australian managers compared to their international counterparts and the implications that this business profile has for training and development.

DEET data quoted by Midgley indicates only 20 percent of Australian managers have university degrees compared with 63 percent in Germany, 65 percent in France, 85 percent in Japan and 85 percent in the USA. Midgley's research indicates a higher proportion, 36 percent, of managers with degrees in Australian businesses with more than 50 employees. However, they only devoted an average of 7 days per annum (agriculture 5.7 days per annum) to continuing education and training compared with 10 to 20 days by their international counterparts. While no data is available for smaller business units, Midgley considered it would be even less.

Midgley considered enterprise size to be most relevant in the context of training and skills development. He suggests that business units with more than 1,000 employees have the both the resources and the need to adopt a systematic approach to leadership and management development, units with 50 to 999 people mainly rely on public training courses and those with less than 50 people are not involved in training or development to any degree because of the day to day human and financial pressures of running a small business.

ABARE data quoted by the Land Management Task Force (1995, p45) and a recent Tasmanian study on ÉChange, Training and Farm Profitability published by the National Farmers Federation paints a similar story for Australian farm managers. Only a small percentage of Australian farm managers have completed tertiary studies and very few are pursuing formal continuing educational opportunities. However, those farmers who seek new knowledge and skills through
formal courses, attendance at field days and short courses are improving their farm profitability.

Table 1. Likely Approach to Leadership and Management Development by Australian Businesses (adapted from Midgley (1995))

<table>
<thead>
<tr>
<th>Size Category</th>
<th>Number of Employees</th>
<th>Number of Australian Business Units</th>
<th>Business Units in Agriculture</th>
<th>Approach to Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small business</td>
<td>1-49</td>
<td>779,839</td>
<td>179,790</td>
<td>Opportunities severely limited by time pressures</td>
</tr>
<tr>
<td>Medium businesses</td>
<td>50-999</td>
<td>9,072</td>
<td>88</td>
<td>Ad hoc use of public training</td>
</tr>
<tr>
<td>Large businesses</td>
<td>&gt;1,000</td>
<td>583</td>
<td>3</td>
<td>Potential for systematic approaches</td>
</tr>
</tbody>
</table>

The Karpin Task Force recommended the development of a national leadership program modelled on successful community leadership programs in North America and Australia. They envisaged a leadership program in each State modelled on the Melbourne based Williamson Foundation Leadership Program, which is in turn modelled on the Chicago program, linked to identified leadership competencies to ensure an appropriate level of rigour and effectiveness, and with selected participants coming together in Canberra for a combined annual national element of the leadership program. The ARLP incorporates all of the best features of the North American community leadership development model, especially the rural version, but with specific adaptations for Australian conditions.

Since the establishment of the ARLP as a higher level national, multi-industry and community based program in 1992, several regional leadership development programs have been established in Queensland, Victoria and Western Australia.

We have examined the range of leadership development programs available to rural Australians (Attachment 4) and note that while some,
eg the Marcus Oldham, South Australian and Queensland Industry Training Council programs have been available and well supported for many years, most programs, including the Australian Rural Leadership Program have been established in only the past five years. The current establishment of regional programs in Victoria and Western Australia and the success of the regional program in Queensland suggests that others are responding either to a perceived need or a latent demand for leadership training.

However, of the alternative programs, only the Melbourne based Williamson program, the university based advanced management programs and the new Advanced program in Queensland can be considered of sufficient intensity and duration to be considered Higher level courses.

The one week courses are very popular and certainly less expensive and more accessible, but there is also much debate about their effectiveness in engendering a sustained change in participants leadership behaviour and skill. The current development of longer, part-time courses across Australia suggests general recognition that the development of effective leadership skills takes time and regular reinforcement of the learning experiences. The ARLP is the only program, and to our knowledge the only program in Australia or elsewhere around the world, which is addressing rural leadership development at a national and international level.

Some respondents to the review expressed concern about the ARLP's capacity to develop enough high level industry leaders sufficiently quickly to meet the challenges faced by their industries. Others expressed concerned that the few really good leaders in industry were being overworked and either burnt out too quickly or faced an inevitable conflict between their personal / business interests and their community / industry activities. They supported the generation of a bigger pool of capable leaders in industry through the ARLP and similar programs. Others felt threatened by the challenging and sometimes aggressive approach of the ARLP graduates. Many of the graduates expressed frustration about the lack of assertive visionary leadership within their industries.

Our conclusion is that the ARLP is making an impact in developing a new generation of rural industry and community leaders, equipped with advanced skills, a thirst for knowledge, with fire in their bellies.
make a positive difference and a degree of impatience with the status quo.

We commend the Rural Industries Research and Development Corporation for its foresight and courage in the program and in establishing the Australian Rural Leadership Foundation. We also commend the Foundation for developing and conducting an exciting, world class leadership development program which will have a significant impact on the performance of Australian rural enterprises and give Australia’s rural sector a strategic advantage in the global market place.

**Recommendation**

*That RIRDC continue to support the Foundation through scholarships for participants of the smaller and emerging rural industries and from rural communities generally.*

However, we share the concerns of many people in the rural community that the ARLP can make a significant difference quickly enough. The ARLP produces 30 to 32 graduates each year and only one or two graduates for each industry. Not all graduates will take up the industry or community challenge immediately for various personal, business or industry reasons.

At the same time we note the concerns of some respondents (see Section 7) that the ARLP is attracting the best people from their industries and the ARLP management view that, while many applicants for places on the program undoubtedly have potential for future higher level leadership roles, many are insufficiently prepared at the time of application to really benefit from the ARLP experience. Others expressed concern about the ability of many potential rural leaders to commit themselves to a two-year, albeit part-time, program.

We considered three options to address this need:

1. expansion of the ARLP program,

2. activities to seek out and encourage more higher capacity candidates for the ARLP course, and/or

3. ARLP encouragement and assistance for more intermediate level leadership development programs within regional communities
and industries with encouragement for the more capable people from these programs to seek follow-up positions on future ARLP courses.

On balance we believe that the industry, community and Foundation interests will be best served by consolidation and enhancement of the current national program and overlapping course format and through the development of linkages with the current and emerging regional leadership programs. Expansion of the current course numbers, the commencement of additional higher level or even the commencement of regional courses by the ARLP could divert resources, be a conflict of interest or distract the management team from their primary mission. On the other hand, close linkages between programs could result in synergistic research and the development and sharing of program resources.

Recommendations:

1. That the Foundation actively develop its linkages with regional leadership development programs with a view to collaborative research, the joint development of resources and materials and the development of synergistic programs, and

2. That the Rural Industries Research and Development Corporation support research on Australian rural leadership and the development of leadership development modules which can be used by both national and regional programs.
6. The Cost Effectiveness of the ARLP Program

To assess the cost effectiveness of the program, the review team, with the assistance of ARLP staff, dissected the ARLP budget for eight modules of Courses 2 and 3 conducted during 1996 (as representative of a full course program), included ARLP core costs on a pro-rata basis and made a number of strategic comparisons with a wide range of executive or leadership programs used by industry, government and the community.

However, the ARLP embodies a number of unique features which makes direct comparison of programs less efficacious. These include the payment of participants airfares to the location of each module, the 10 day experiential learning session in the Kimberley region as part of the north Australia module, an overseas module and the final selection of participants through face to face interviews. The partners of program participants also attend the final session in Canberra and some of the activities of the modules conducted in their regions. From 1997, partners will be invited to a special session of the second module in Melbourne.

Our analysis of the Foundation's operational costs during 1996 indicates that just over half the ARLP costs (51 percent) are expended on the two special feature modules in northern Australia and overseas (Figure 1(a)). The balance (49 percent) is expended on the six 5-6 day modules in each state and the ACT. Analysing and comparing the Foundation's costs in a different way (Figure 1(b)) 12.4 percent of expenditure is on domestic travel for participants, 18.5 percent on travel and accommodation for the overseas module, 31.4 percent on operations and accommodation for modules 1 to 6 and 8 and 37.7 percent on core costs including undissected program costs such as program promotion, raising scholarship sponsorship, developing and planning the delivery of each module, reading materials and course notes.

Figure 1. Relative cost of ARLP (a) Modules and (b) Activities.
The review team has noted some perception within rural industry that the ARLP is expensive and a "Rolls Royce" program. Our analysis of the program costs and comparison with a range of executive management and leadership development programs widely used by industry and government agencies (Figure 2) indicates that the ARLP cost structure compares very favourably. Indeed the comments may reflect the low priority attributed to personal skills and professional development in primary industry and its associated agencies and some perception that short, sharp, low cost courses can achieve the desired ends.

By way of comparison, the costs of advanced management development programs, which are conducted at a single domestic location, and which do not include domestic travel costs, are:

- $14,750 for the 24 day Melbourne Business School Program,
- $16,500 for the 28 day Australian Graduate School of Management program,
- $7,225 pp for the 13 day NSW Institute of Administration program,
- $5,450 for the 6 day Mt Eliza Leadership program, and
$4,950 for the 5 day Macquarie Graduate School of Management Strategic Leadership Program for Directors.

Figure 2. Comparative Cost (per person per day) of Australian Leadership and Management Development Programs (also summarised in Attachment 4)

At $35,000 per person for 60 days over two years including all airfares, accommodation and meals, a 16 day (three country) overseas module, 13 days in northern Australia (including 10 days in the Kimberley) and partners involvement in several sessions, the ARLP cost compares favourably.

In many respects the industry will get what it pays for. We do not believe, for reasons detailed elsewhere in this report, that short courses will develop the higher level, internationally competitive leadership skills needed by the industry. The short courses and regional programs do have their place as introductory and intermediate programs, but neither their curricula nor their cost structures are directly comparable with that of the ARLP. The rural sectors competitors, also as detailed elsewhere in this report, are spending well in excess of $17,500 per person each year (half the $35,000 pp two-year ARLP scholarship cost in 1996) in developing their key executives and leaders for the future.

The inclusion of airfares in the ARLP cost structure certainly adds to program costs (12.2 percent) but facilitates equitable access to the program for rural industry participants with leadership potential from
across the length and breadth of Australia. There is strong support for diversity in industry, community and regional background amongst participants within each course. The cost of travel was not raised as a significant issue, other than for the north Australian module, by either program sponsors or participants suggesting that it is accepted as an implicit component of national rural industry programs.

Deletion of either or both of the north Australian and/or overseas modules from the course would also reduce ARLP costs significantly, by 20 percent and 31 percent respectively, but also delete two of the key learning components of the ARLP course, and two of the key features which set it apart as a higher level leadership development program and different from the many shorter courses being offered.

Reducing the number of sessions (and increasing the length of each session) would also reduce costs marginally but would make participation in the program more difficult for most, if not all, of the participants operating their own businesses. It may also reduce the significant learning benefits of having short, but intensive, sessions spread over a two year period.

An analysis of cost effectiveness also requires a comparative analysis of costs relative to outcomes. This analysis could only be undertaken subjectively by the review team, because very few, if any, programs embody an ex-anti and ex-post evaluation of participants abilities as does the ARLP. None of the comparative courses are accredited other than through credits for participation. While comparative data is not available, the review team was impressed with the enthusiasm of program participants and their achievements since graduation.

A number of ARLP participants, who had attended either or both the ARLP and/or other advanced level courses, some of which are incorporated in the costs comparisons within Figure 2, have made cost-effectiveness comparisons favourable to the ARLP.

To our knowledge, there has been only one creditable economic analysis of the cost benefits of leadership development anywhere around the world. Canadian Professor of Agricultural Economics, George Brinkman, estimates the cost-benefit returns to agriculture and the rural sector from the Ontario Advanced Agricultural Leadership Program between 1985 and 1991 conservatively at fourteen to one. He estimated the returns to Canadian society as a whole at thirty-two to one. This Canadian study provides a reasonable benchmark on returns from investment in leadership development but given the limitations
and cost of formal economic analysis any decision to repeat the Canadian study in Australia would need to be approached with caution.

We have concluded, from the comparative analyses that we have made in the context of this review, that the Foundation is providing good value for money for the sponsors of the Australian Rural Leadership Program and for the rural sector.

However, the ARLP is one of the most expensive courses of special relevance to rural industries and the rural sector. Both the ARLF Board and ARLP management team need to keep close control of program costs, make regular comparison with alternative programs in the training marketplace and actively sell the cost effectiveness of the ARLP to program sponsors and other ARLP stakeholders.
7. The Mix of Program Participants, Performance of Participants and Graduates

Participants for the ARLP Courses have been drawn from a broad cross-section of rural industries, communities and supporting agencies (Table 2) and from all States, the ACT and the Northern Territory.

Table 2. Balance of Participants in each of the four ARLP Courses.

<table>
<thead>
<tr>
<th>Rural Industry</th>
<th>Course 1</th>
<th>Course 2</th>
<th>Course 3</th>
<th>Course 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Dairy</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Fisheries</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Forestry</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Grains / Oilseeds</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Grape and Wine</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Horticulture</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Meat</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Pig</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Poultry / Egg</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Rice</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Sugar</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Wool</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Sub-total</td>
<td>22</td>
<td>22</td>
<td>21</td>
<td>18</td>
</tr>
<tr>
<td>Support Agencies / Community</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aboriginal</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Agribusiness</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Banks</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Community / Education</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Consultants / Advisers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Media</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Regional Development</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Resource Management</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>State / Federal Departments</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Tourism</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Unions</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Course participants have been sought through advertisements in the rural and regional press, radio and newspaper articles, through industry or community organisations, word of mouth and more recently through the network of ARLP graduates.

The age range of participants has been from 28 to 51 and at least six participants on each course have been women (9 women on Course 4 to commence in April 1997).

Respondents to the review expressed strong support for maintenance of a rich and diverse mix of program participants from across industries, the rural community, states and territories and support agencies as one of the real strengths and learning opportunities of the ARLP. In particular, there was very strong support for the aboriginal, union and tourist industry participation introduced with Course 2. Many participants commented that they gained as much, or more, from their interaction with fellow participants from different industries or cultural backgrounds as they did from the structured sessions.

While some respondents argued for a more diverse mix of participants, at least one sponsor argued strongly for less diversity in order to provide more places for industry participants urgently required for higher level roles in his industry.

Some respondents argued that either the length, demands of the course, perceived age range, or perceived “militaristic background” to the ARLP program made it less attractive to some potential leaders and particularly to women. There is no doubt that the program is demanding and that, despite the two month break between sessions, participants have considerable preparatory work to do before each session and return home on a 7 to 10 day high. Understanding and supportive partners and families were noted by many participants as key requirements for successful ARLP participation.

The perceived age range for participation was of concern to some respondents and particularly to the Foundation for Australian Agricultural Women who considered that many aspiring leaders in our community have more time and energy to dedicate themselves in their late 40s and 50s when family responsibilities are minimised and...
they have a wealth of knowledge to offer. On the other hand, others expressed concern about the lack of younger people in rural leadership positions which were currently dominated by people in their 50s and 60s. There was a general view that persons selected for the ARLP should be able to make a leadership contribution over a significant period of time after the course. However, at least one of the younger course participants has indicated they were perhaps too young at the time to really benefit fully from the ARLP program.

The Number and Mix of Participants on Each Course

Each of the four ARLP Courses to date has had 30 to 32 participants which have been selected from 150 to 220 applicants. The number of participants on each course is influenced by a very broad range of philosophical and practical issues including; the number of suitable applicants, the number of scholarships available, the occupational and cultural diversity of applicants, group dynamics, accommodation, meeting room and travel limitations.

Some concern has been expressed to the review panel that insufficient top line applicants are available within the industry and that the course size should be reduced to 24 to 26 participants. While this proposition may result in a higher calibre group which is easier to manage from a logistical and group dynamic perspective, it also has the distinct disadvantages of reducing the group diversity, of reducing the overall level of participation at a time when industry leaders are seeking a greater leadership training throughput and also would increase the core cost component per participant of the ARLP cost structure.

Other respondents to the review expressed concern that the ARLP program was insufficiently promoted within rural industries and that some of the best industry candidates were not being attracted to the program. The number of applications for the thirty two program positions is relatively small and the absence of applications from two states in 1996 is of concern. This may be a result of either lack of promotion of the program in some states, regions or industries, lack of active support for the program by some community or industry leaders, a lack of interest in personal development or other negative feelings about the program. These concerns would be addressed through increased promotion of the program by the Foundation and by program graduates.
Recommendations;

1. That the Foundation increase promotion of the ARLP and the achievements of its graduates within industries and within the rural community in order to attract more of the top line applicants,

2. That the Foundation consider supporting intermediate level leadership and other programs which can act as feeder programs to the ARLP, and

3. That ARLP Alumni take action to promote the program amongst their peers and to seek out and encourage applications.

Maintenance of a diverse mix of course participants was strongly supported by the ARLP participants who responded to the survey, citing a better understanding of other values, cultures and industries amongst the many benefits they gained from fellow participants. The participant mix in the first three courses has been approximately two-thirds rural industry and one-third community and support industry participants. A higher proportion of community participants have been selected for the fourth course.

Participants with rich and diverse backgrounds are a strong feature of the regional leadership development programs in Australia and also the comparable programs in the USA. Many have a more diverse cultural and occupational participant mix than the ARLP.

The panel strongly supports the maintenance of a diverse industry, community, social and ethnic mix amongst participants in each ARLP course but recognises the logistical difficulties of increasing the course size beyond 32 participants. At the same time we do not believe that 32 is too many participants on each course, especially if optimum use is made of break out groups and other adult learning strategies in program delivery. The balance of participant diversity will always be debatable but at this time, given the priority for leadership development within rural industry, the balance should favour industry participation.

Age should not be a significant factor in the selection of candidates for the program. However, candidates should be sufficiently mature and with sufficient background experience to be able to respond to the program and be of an age where they are able to make a leadership contribution over five to ten years or more.
Recommendations:

1. That a diverse mix of participants from rural industry, the community, service sectors, union and environment groups continue to be selected for each ARLP course with the balance being at least 60 percent in favour of rural industry participants, at least for the next few years, and

2. that course size continue to be maintained at 30 to 32 participants.

The Performance of Participants and Graduates

We have been very impressed with the enthusiasm, confidence and capability of the ARLP graduates with whom we have met. We are also impressed with the overall response to ARLP graduates from the industry and community sponsors and stakeholders who have written or made contact with us about the review. We are also impressed by the very challenging leadership role that both graduates and current participants are taking on within their communities and industries and relayed to us by word-of-mouth or in personal submissions to this review.

Apart from the evaluation studies undertaken by the Sigma Consultancy for the ARLP, there is no way to objectively benchmark or critically evaluate the performance of participants and graduates. We are unable to objectively assess whether individuals in this elite group would have advanced to leadership positions irrespective of their ARLP experience. We do not have a paired control group who have not shared the ARLP experience to compare, nor has any assessment been made of the applicants who missed selection for the ARLP program. Nor does the ARLP experience embody assessments of participants leadership competencies either through the course or at the end before graduation. Non participation is the only way to fail.

However, the Sigma Consultancy evaluation studies do embody a pre and post ARLP assessment of participants behaviour by five selected (from 10 nominees) industry, workplace or personal colleagues. The three annual assessments to date indicate a significant improvement in ARLP graduates leadership skills. The participants and graduates themselves are almost unanimous in their belief that the ARLP has made a significant difference to their leadership capability and motivation. The independent assessors rated participants leadership skills highly at the commencement of their ARLP course and rated the
improvement after the two year course to be less than did the course participants themselves.

Some participants and graduates have indicated to the review panel that they would have appreciated more objective feedback on their performance, an objective assessment of their leadership strengths and weaknesses and greater opportunity to act on that personal feedback during the program.

The role of personal assessment poses a considerable dilemma for the ARLP. On one hand it may help some participants critically assess their level of participation and the benefits they are really gaining for their time and energy and would also enhance the value of ARLP participation within the academic world. However, on the other hand formal assessments may destroy much of the nature and culture of the ARLP and be a costly burden for ARLP staff. Alternatives include the use of self assessment and peer assessment methods which, if repeated during the course, could help the participants benchmark their own performance and style. A number of relevant self and peer assessment tests were documented in the leadership curriculum materials developed by Monash University for the Karpin Review and could be readily adapted for ARLP usage.

The performance of ARLP graduates will inevitably and eventually be judged in the tough proving ground of the leadership marketplace. In the interim, the ARLP Board and management team will need a dossier of successful case studies or independent assessment material to be able to continue to sell the program to sponsors and stakeholders. We have summarised some of the recent achievements of ARLP graduates and Course 3 participants as relayed to the review panel in the Overview to this report.

**The Effectiveness of the Current Evaluation Systems**

The current participant evaluation system was developed for the Foundation by Sigma Consultancy principals Nick and Judy Jans. It embodies a 79 item questionnaire based on behaviours shown by effective leaders in the Australian rural sector, as perceived by those involved in the sector. The questionnaire was developed in late 1994 with input from Course 1 participants, ARLP management, members of the ARLF Board and the consultants.

For validation purposes, the questionnaire includes a number of questions from an international research program on leadership
developed by, and used with the permission of, Professor Bruce Alvolio of the Centre for Leadership Studies at Binghamton University in the USA.

For each course, the questionnaire is used to measure the leadership behaviour of the participant at the commencement of the course, at the end of the course and two years after completion of the ARLP course. The questionnaire is mailed to course participants and to five of the ten people nominated by each participant as being someone who knows them well. The scores between, and within course participants are compared using an analysis of variance package. The validity of the questionnaire was assessed as part of the first assessment of Course 1 and Course 2 participants in 1994.

Three assessments had been undertaken at the time of compilation of this report. In the second assessment in early 1996, the performance of participants from Courses 1, 2 and 3 were compared. Course 1 participants, all of whom had completed the Program prior to the assessment, rated significantly higher than both Course 2 and Course 3 entrants on rural leadership competence, political awareness and skill, innovating, entrepreneuring, team building and presenting and representing. The three course groups did not rate significantly different on pioneering and championing a vision, planning and communicating, openness and ethical behaviour, interpersonal skills and influence or on general leadership effectiveness.

The results of this second assessment suggest that either the ARLP program has not made a difference in about half the key leadership criteria for the Course 1 respondents, or the limited sample of course one respondents was insufficient to demonstrate significant differences, or the test questions are insufficiently sensitive to determine the differences, or that the Course 2 and 3 selected participants were significantly better leaders on intake than Course 1 participants.

We have some concerns about the sensitivity of Sigma Consultancy evaluation methodology and its usefulness in providing feedback to ARLP management on factors which can be addressed to improve the program. It relies heavily on the assessment of the Program participants and graduates by industry and community associates who invariably rate the selected participants highly on most leadership traits even before undertaking the ARLP Program, then after the course a second set of independent, but not necessarily the same associates, also rate the graduates highly on the same attributes.
However, external, independent quantitative assessment of the effectiveness of the program in developing leadership capability would help sell the program in some quarters and should also help the program managers make improvements to the program curriculum material over time.

As indicated earlier in this report, the performance of ARLP graduates in leadership roles will be a key performance measure for the Foundation and one on which its activities will be judged in industry and in the community. The Foundation does not currently maintain a record of graduates subsequent leadership activities (though a record is maintained by the Alumni) but should do so to monitor its own performance and to publicise its achievements. The record should be established and maintained directly by the Foundation.

**Recommendation**

That the Foundation recognise the subsequent leadership role and performance of its graduates as a key performance measure of its activity and establish and maintain appropriate records to do so.
8. **The Program Structure, Curriculum and Conduct of the Course**

The program is currently organised into eight separate sessions totalling 60 days and conducted over two years. The first session of 13 days is conducted in northern Australia and includes a 10 day outdoor experiential learning session in the Kimberley followed by a day on the Ord River scheme and two days in Darwin. Sessions 2 to 6 and session 8 are each of 5-6 days and are conducted in and around the capital cities. Session 7 is conducted overseas during which the participants have visited Indonesia, Singapore, Thailand and Korea and in 1997 will visit Singapore, Malaysia and California. Between sessions the participants are expected to read a selection of reference texts, course notes and background reference materials for the next session, develop a shared "Vision for Rural Australia" and also to reflect on the relevance of the previous sessions for their own development and future plans.

**A Leadership model?**

The Program’s Executive Director, Mike Beckingham, believes that the ARLP is not aiming to instil any particular model of leadership in its participants but rather to expose them to a wide range of well known leaders and leadership situations, each requiring and using a suite of leadership styles and skills, so that the participants graduate with a well equipped practical toolkit on leadership which they can then apply as circumstances arise within their personal business, community or industry. He has developed a list of thirty two key requirements for effective leadership at the higher levels in rural and regional Australia (Attachment 5).

The extensive literature on leadership (Bass, 1990; Covey, 1989; Covey, 1991; Kets de Vries, 1993; Karpin, 1995; Kirkpatrick and Locke, 1991; Kotter, 1990; Kotter, 1996; Kouzes and Posner, 1987; Pany, 1995; Peters, 1987; Rhefeld, 1994; Rosener, 1990; Sarros and Woodman, 1990; Senge, 1990; Yukl, 1989) gives us a broad picture of leadership traits and the techniques used by leaders, especially in the western world. An analysis of these writings starts to give us a picture of the components or modules which need to be built into any program on leadership development such as the ARLP. From the literature and our own observations of successful leaders, we have developed the following profile of the leaders we will need in the twenty-first century to meet our economic and social needs. Our future leaders in rural Australia will need to be people who are;
1. Worldly, with a well developed interest in, and knowledge of, community, industry, national and international affairs. They will travel extensively, read widely, have a broad network of friends and associates, have a strong commitment to continuous learning and personal development and will be fluent in several languages.

2. Visionary, and have a strong sense of purpose and determination to realise that vision. They will be a strategic thinker and planner. They will be creative.

3. Courageous, and an action person who is prepared to challenge the status quo and who is prepared to take risks, but also disciplined to weigh up those risks before acting and to learn from any mistakes.

4. Communicators, with ability to share their vision of the future, to enlist others to their mission, to build and lead teams, to listen to others and give feedback and praise, to lobby, negotiate and resolve conflict and at all times to be friendly, tactful and diplomatic.

5. Role models for others, have high standards of behaviour, ethics and values. They will be reflective, have a thorough understanding of themselves, the influence they have on others and have a strong commitment to personal development.

**The Program Structure and Curriculum**

The ARLP management team has developed the curriculum for each ARLP course around five key subject areas; leadership development, rural issues, national issues, international issues and course work and administration. The time allocated to each of these broad modules in Course 3 is indicated in Figure 3 and the delivery of subject material for each of these modules within Course 3 is detailed in Attachment 6.

Figures 3 Allocation of time to leadership development activities within the ARLP.
The delivery of the curriculum in eight sessions over two years, plus the background readings between sessions, is well supported by the graduates and participants. This structure fits comfortably with the busy personal business, industry and community lives of the participants. It also allows time for reflection on issues between sessions and for reinforcement of new habits from the learning experience over the extended period. We believe that this is one of the real strengths of the ARLP course and should be maintained.

Our analysis of the course curriculum and the manner in which it is delivered indicates that the course is very strong on content, the delivery of information in the five subject areas to broaden the mind of participants but light on substantive analysis of the issues and on the development of personal leadership skills. The structure of the curriculum is not aligned with either the key leadership traits we have described above or with the longer list of key leadership traits which the program itself is aiming to promote (Attachment 5). It is a program of activities based on the five subject areas described above rather than a course curriculum with defined goals, strategies and performance indicators aimed at developing the attributes to which the program aspires.

Leadership guru, Warren Bennis (1996) writes ÈI've never seen anyone derailed from top leadership because of lack of business literacy (read knowledge or technical competence) or conceptual skills; it's ALWAYS because of lapses of judgement and questions about character. Always. The second interesting problem is that judgement and character tend to be ignored by those educating others and are arguably difficult or even impossible to teach.

Amanda Sinclair (1995), Associate Professor in Organisational Studies at the Melbourne Business School and author of ÈTrials at the Top, does not think leadership is about developing competencies. She believes that leadership grows out of self awareness, insight,
reflectiveness—those habits which don’t lend themselves to competency-based training. They’re often lifelong habits of learning fostered in less conventional environments and using less conventional educative tools.

The ARLP tackles the challenge of developing character, self-awareness and judgement through:

1. the 10 day outdoor segment in the Kimberley which encourages self-awareness, grit and the importance of teams, communication and relationships,

2. the overseas segment which broadens perspective and understanding of other cultures,

3. visits to gaols and practical work with inner-city welfare groups which develops social awareness and responsibility,

4. having an ongoing line of leadership role models speaking to the participants, and attending program dinners,

5. committing the participants to a major visioning project, and

6. the overall experience of selection and participation in the ARLP with others from very diverse backgrounds which elevates the thinking and broadens the perspective of participants.

The feedback we have received from graduates and current course participants, our own analysis of the curriculum and our own insights into leadership development, suggest that the program could be improved by enhancing the processes used to help participants make optimum use of the course content. More debate and in-depth analysis of the material presented, active involvement of participants in researching and presenting issues associated with their industry/community, the use of case studies, simulation exercises and role playing, analysis of the strengths and weaknesses of the style of key leaders in industry or from history and the use of more advanced adult learning techniques could fulfil the dual role of information delivery and enable the participants to;

- make greater use, inference, analysis and application of the data and experiences provided,
gain self-awareness through reflecting on personal responses to ideas, insights and information provided to understand personal limitations, beliefs and preconceptions and to loosen up where appropriate,

gain increased awareness of the philosophical, psychological and political agenda of speakers, guests and others to help improve participants awareness, judgement and political nous, and

apply content to own experience, life and work.

Recommendations:

1. That more emphasis be given in the curriculum to;
   - the development of the person and the interpersonal skills behind the leadership role,
   - the development of skills in upward management, including the politics of organisations and Boards,
   - the development of an understanding of the need for, and provision of personal support, including family relationships,
   - working on the whole system including, family, community and industry, and
   - the inclusion of more female and also non-anglo saxon role models in the program.

2. That a revised format be adopted for the curriculum to link the program delivery to outcome orientated objectives, strategies and performance indicators which in turn are linked to the key leadership attributes which the Foundation is endeavouring to develop in its course participants.

The Kimberley Experience

The Kimberley experience has evolved as a key component of the ARLP in the minds of most, but not all, participants, graduates, staff and directors of the ARLP. Engage any ARLP graduate or participant in discussion for more than a few minutes and the conversation inevitable turns to the Kimberley experience. It has had a most significant impact on the lives of all ARLP graduates and participants.
The Kimberley Experience was originally developed by the Perth based company Adventure West for the ARLP. It evolved from a similar program developed by Adventure West for the West Australian Chamber of Mines. The setting takes the participants out of their comfort zones and allows them to focus on learning free from day to day distractions. The unfamiliar environment and the group dynamics are powerful vehicles for them to explore themselves, and to think about who they are and where they are going. They outdoor environment presents them with real problems in real time frames with real constraints and they get to experience the practical outcomes of their own decisions and actions. All the decisions they take have real risks, outcomes and consequences, and while the tasks may differ from those encountered in everyday life, the decision and group processes do not. It aims to:

- develop participants sense of shared purpose and ability to work effectively in teams,

- develop an understanding of various leadership styles and to build on personal leadership skills,

- inspire and motivate the participants to expand their involvement in leadership roles,

- develop an appreciation of the need for personal values and vision, and for shared vision and values,

- develop an understanding of the processes for developing shared values and vision,

- broaden participants values, insights and sensitivities,

- develop participants confidence, pride, mental toughness and problem solving abilities, and

- generate a sense of personal and shared achievement.

The experience also aims to expose the participants to aboriginal people, their customs and issues, to environmental issues, to differentiate between what (substance and content) and how (form and process), to the importance of language and listening to enhance communication and to new learning experiences.
While outdoor experiential learning is not new (Roland, Wagner and Weigand, 1995) and there are many Australian groups offering outdoor training programs, our research suggests that the ARLP is the only Australian leadership program which has built outdoor experiential learning into a leadership development program in such a significant way. Our analysis of overseas programs has identified only the leadership development program at the University of Exeter in the UK to be offering similar outdoor experiential learning modules within its programs.

Surveys of the staff training practices of 867 private and public sector organisations by Professor Roger Collins of the Australian Graduate School of Management show an expanded use of outdoor training between 1986 (8 percent) and 1991 (23 percent). However, outdoor training ranked after other less expensive forms of training in order of preference, including seminars or conferences, lectures, role playing, case studies, video feedback and management games.

For example, Kellogg Australia have put some 400 of its 900 plus workforce through the Operation Challenge program at Chakola in NSW. Kellogg believe that Operation Challenge is not about taking people out the countryside for a good time. Nor is it about prowess or survival skills in the wilderness. It is about the capacity of disparate individuals to weld together into teams, to clarify objectives, to agree on leaders, consider options, formulate plans, consult everyone participating, assign tasks to individuals, implement, cope with contingencies, provide quality control and then to candidly review the successes and failures of the exercises (Waters, 1993). The focus is on experiences which can be translated back into the workplace. The participants are from throughout the company. Some participants know each other, others are total strangers. Kellogg aim to promote networking throughout the company and to assist those who aspire to management roles to acquire leadership skills.

Kouzes and Posner (1987) commend the ropes courses developed by Taini and DuBois in California during the mid 1970s and the activities of Outward Bound in helping executives learn about trust, risk taking, group problem solving and team-work within their organisations. Rope courses are also used extensively in Australia by Outward Bound, Merribrook Development Training in Western Australia and by the NSW Department of Sport and Recreation in their student, executive and sporting team development programs.
As reflected in Professor Collins studies, many Australian companies, Government agencies, sports teams and community organisations are using outdoor experiential learning as integral components of their corporate and personal development programs.

Two leading Australian mining companies (MIM and WMC) have independently evaluated the programs, similar to the ARLP Kimberley Experience conducted for them through the West Australian Chamber of Mines. While the course was rated highly in both studies, one study was quite detailed and indicated significant behavioural, attitude and team-work changes which were maintained almost as strongly six months after the course as at the end of the course. Significant lessons from the course for the participants were communication and trust, co-operative problem solving, self awareness and self confidence, knowledge of team members strengths, limits and values, and creative processes to manage change. The participants workplace team work, strategic planning skills and in particular their people skills were considered to have improved as a result of the courses.

However, while the overall impact of the Kimberley experience within the program has been very positive, the experience is not uniformly supported and is seen by some stakeholders as a barrier to wider participation in the ARLP. Several aspects of the activities in the Kimberley warrant attention.

The concept of an extended outdoor or experientially based starter to the program is invaluable and strongly supported. However, the psychological impact of the experience needs to be closely monitored by trained professionals and used in the provision of alternative opportunities for participants to develop their self-awareness and to grow personally under supervision and in a safe environment. While one aim of the exercise is to build a team, a team is simply a group of people. People have complex psychological make ups and anyone tampering with the human psyche needs to be highly trained and supervised to ensure that they know what they are doing and are doing it safely. The Foundation needs to ensure that the outdoor facilitators used in the Kimberley have enhanced skills and training necessary for the task.

Some of the exercises are also undertaken under conditions of extreme tiredness or personal stress. They need constant monitoring and regular re-examination to ensure that all personal safety guidelines are well known to all involved, up-to-date and are being applied.
We strongly endorse the continuation of outdoor experiential learning activities as an integral part of the ARLP, but emphasise that the quality of the activity and the management of the physical and emotional risks associated with it should govern its nature and location.

**The Overseas Module**

The overseas module has also developed as a key feature of the ARLP program and a feature which identifies the program as a higher level program amongst the many options becoming available for the development of industry leaders. Only the new West Australian leadership development program aims to include an overseas trip as a key component of its curriculum. However, it does account for 31 percent of program costs and therefore warrants regular close examination to ensure that it remains good value for Foundation monies.

The first course visited Singapore and Indonesia, the second course Singapore, Thailand and Korea and, in 1997, the third course will visit Singapore, Malaysia and California. The session objectives include the examination and comparison of key national economic, political and cultural characteristics of each country, trade, business and industry policies and options available for Australian trade and investment. The participants are exposed to a wide range of business and political leaders and Australian officials resident in each country.

Each participant is expected to undertake their own country and market analysis but cannot be expected to become an expert in market analysis in a brief visit. However, they should come away with the principles of how to analyse an unfamiliar market, the key players and competitors in that market, sources of information, critical analysis of market information and the development of entry strategies firmly implanted in his or her mind.

The focus on Asia and the visit to contrasting countries is supported. A visit to Japan, though very expensive, would prove a stark contrast and very significant learning experience for Australian program participants. One of the large Japanese trading houses or JETRO may be prepared to sponsor an ARLP visit to Japan.

The use of Australian embassy and trade officials in each country is supported but should also be appropriately balanced by significant exposure to the nationals of each country.
This overseas module is one of the great strengths of the ARLP program. It is essential for the development of leaders in all areas of rural Australia that they are exposed to the economics, politics and culture of other countries. The module is excellent value and should be retained. However, the learning experience should continue to be developed and in future greater weight be given to understanding the social and political drivers and power structures in the countries visited.

The Chairmans Dinners and Receptions

These events provide invaluable social contact between course participants and leaders in various fields and should be maintained and increased. They serve the multiple purpose of education, networking, role modeling and positioning the program within the business, political and social community. Every effort should be made to increase the number of female leaders invited to and attending these events. The Foundations Directors should continue to play a key role in hosting these events and in personally inviting front line leaders to attend.

Some larger companies may be prepared to sponsor and/or host these dinners.

The Leadership Competency of Graduates

We have already commented on the absence of any assessment of participants leadership competency at any stage during the course or before graduation. Turning up to every session is currently deemed to be an adequate prerequisite for ARLP graduation.

The absence of formal assessment processes is not necessarily a negative feature of courses of this nature but does make it more difficult;

Ø to identify deficiencies in particular key skills in some participants and to take early remedial action,

Ø to identify the people with an existing skill base and to channel their time, energy and enthusiasm into more advanced training or into areas in which they are personally deficient,

Ø to advise participants on their personal progress, and
to gain accreditation for ARLP participation as a component of other higher learning courses.

The respondents to this review expressed some concern that some personal skill deficiencies were not identified sufficiently early in the program and assistance provided to address them. While we appreciate that the resources of the ARLP are limited, every endeavour should be made to ensure that participants reach a level of leadership skill before graduation to warrant the award of the ARLP graduation certificate.

**ARLP Accreditation**

While accreditation has not been raised as a significant issue in the context of this review, we note that several participants are undertaking graduate level studies and that the ARLF has sought and received accreditation for the ARLP equivalent to two graduate level units at the University of Canberra.

Broader and/or more significant accreditation of the ARLP program by universities may be linked to more formal competency assessment, the merit of which will have to be judged by the ARLF.

For example, in the UK the University of Exeter’s Centre for Management Studies conducts a leadership development course consisting of 7 one week residential modules, background reading, written assignments and a project over two years. It aims to help individuals develop their understanding of leadership, team-work and their own leadership potential.

The syllabus includes study of the management of change, innovation, strategic leadership and future leadership challenges. Case studies, action learning, personality profiling and practical leadership sessions are integral to the program. The first module is an outdoors, practical session. External speakers from the public and private sectors and having wide leadership experience are used extensively in this course.

Participants performance is appraised by continuous assessment following each module and if satisfactory, a Post-graduate Diploma in Leadership is awarded. Participants may register for a further (third) part-time year and 20,000 word thesis leading to a Masters Degree in Leadership.
The Karpin Task Force (1995) recommended that management schools be encouraged to improve course articulation between private management education providers and the unified system at undergraduate and post-graduate level and more routinely recognise prior learning in selection and accreditation processes.

Recognition of prior learning and training, course articulation and course accreditation is also being pursued by the Rural Training Council of Australia. The Council has recently developed draft competency standards for industry executives and industry leaders operating at the highest levels within the sector and which are expected to be endorsed by the National Board for Education and Training. While the ARLP is not competency based, it does meet most, if not all of the requirements of RTCA’s draft standard and may be a cost effective avenue for the ARLP to gain formal recognition for ARLP participation.
9. The Foundation Structure, Operations and Funding

The Foundation is incorporated as a not-for-profit company in the ACT with a hierarchy of membership providing for sponsors, graduates and other supporters of the ideals of the Foundation. It has a Board of nine prominent Australians from the rural and business community who are elected annually by the members and has a staff of three full-time and two part-time people.

The Foundation's operational funds are raised primarily by way of sponsor scholarships for participants in the leadership program. Thirty-two scholarships were supported at $35,000 per scholarship for Course 2, raising $1.1 million for the operations of the Foundation. Each program participant contributes a further $2,000. The Rural Industries Research and Development Corporation provided start up and operational support funds totalling $1.35 million over 5 years with the last instalment of $125,000 in 1996/97.

The Foundation is headquartered in Canberra where it leases a small office suite from the National Association of Forest Industries.

The Corporate Structure

The Foundation was established under Corporations Law as a company limited by guarantee and not having a share capital in the ACT on 27 August 1992. The objects of the company as set down in the Memorandum of Association are;

1. to enhance the competitiveness and profitability of rural industries through the development of leadership capability and skills within industry and the support community;

2. to enhance the level of leadership ability and skills of people engaged or employed in rural industries and communities through the planning and conduct of programs of education and training;

3. to promote rural industry and community leadership skills and ability within rural industries and the community;

4. to provide a forum for sharing of ideas, experience and skills about Australian and international issues in relation to rural industries and community leadership;
5. to develop methods and materials for the development, education and training of leadership skills and ability in rural industries in Australia; and

6. to do all things necessary and incidental to the foregoing objects.

In practice, the Foundation has concentrated its activity on its core business of developing, planning and conducting a program of advanced leadership training for 30 to 50 year olds from the rural industry and support community. This is a reflection of the reality and difficulties faced by the Foundation in establishing and financing an innovative, far-sighted and very different program focused on enhancing the skills of real people within our rural community. The rural industries and communities of Australia have historically underinvested in training and have not valued education or personal skills development highly. At the time the program was established in 1992, the rural research corporations were investing heavily in the development of researchers skills but not in the skills of their producer stakeholders.

We do not see any need to amend the current corporate structure. However, the Foundation is now established and has an excellent reputation and a more stable funding base. Rural industries, rural organisations, rural communities and supporting agencies are taking greater interest than at any time in recent history in the welfare and skills of their constituents. The need for rural leadership is recognised and supported. Regional rural and community leadership programs are emerging. The catch cry is now “how can we train enough people within our community and industries to tackle all that has to be done to lead us into the next century?” The Foundation is now better equipped to consider its broader role in rural industry and community leadership development.

Recommendation:

That the Foundation consider taking a helping hand role in a non-intrusive mentoring way in the development of regional leadership development programs, the development of curriculum materials and in the interchange of ideas between programs.

We suggest that the rural research corporations and the federal Department of Employment Education and Training be approached
for financial assistance to research, develop, organise and facilitate such activities.

**Membership**

The Foundation has a somewhat complex membership structure but one which provides for control over the composition of the Board to be retained by the most significant sponsors within a broad stakeholder base. The Articles of Association provide for the following membership categories:

- **Governors**: Recognised eminent persons or persons donating at least $500,000 over 5 years.
- **Associate Governors**: Recognised appropriate persons or persons donating at least $200,000 over 5 years.
- **Fellows**: ARLP Graduates.
- **Associates**: Appropriate persons or persons donating at least $100,000 over 5 years.
- **Affiliates**: Other supporters of the foundation or persons donating at least $25,000 over 5 years.

We see no reason to change this membership structure, despite its complexity, as it offers a high degree of protection and satisfaction to the interests of major sponsors.

On the other hand, Foundation membership can be used proactively to develop the Foundation's support and sponsorship base and to develop a real feeling of ownership of the Foundation within the rural community, rural organisations and sponsors.

At the same time we cannot see any value in merging the Foundation with other leadership development organisations or from incorporation of ARLP operations within an academic institution, as has been suggested from time to time, as such a move could well destroy the nature and culture of the ARLP and its value to rural industry and the community.

**The Board**
The current Board of nine people is rather large for an organisation the size of the ARLP and with a limited budget. Never-the-less it needs to be of sufficient size and calibre to represent the interests and aspirations of the members and stakeholders. It should continue to comprise the highest calibre and well recognised people within the rural industries, the business community, the rural community, academia and the Alumni.

In addition to its key role as the highest level decision making and accountability body within the Foundation, the Board, and its individual members, has also a key role to play in opening doors for the Foundation, in promoting sound leadership within rural industries and the community, in provision of a role model for ARLP participants and graduates, and in promoting the interests of the Foundation generally.

**The Staff**

There is no doubt that the ARLP staff have done a tremendous job in establishing the Foundation’s program and in running the three courses to date. They are highly respected for their individual efforts and personal talents. They are to be congratulated for exemplary performance of a very difficult job.

However, the Foundation is very dependent on a very small number of key people and needs to consider and develop staff contingency and succession plans and appropriate corporate records. The skills and energies of the staff team also need to be enhanced and developed to meet the ongoing challenges of the Foundation and its very busy program of activities.

We note and support the involvement of ARLP Alumni in Foundation activities and recommend that the Alumni continue to be cultivated and developed as possible successors for key ARLP staff. The Alumni can also play an increasing role in the identification and selection of ARLP course participants and in developing ARLP sponsorship.

We note the concern of some respondents to the review that the military background of three of the five Foundation staff is perceived negatively by some people in the community whom the Foundation is trying to attract or influence. One of the ‘ex-military’ employees has since left the Foundation and an ARLP graduate has been engaged on a part-time basis. The Foundation needs to ensure that it has a capable staff team, irrespective of their background, but with diversity
in background and complementarity in skills, including in adult education or psychology and at least one female member within its senior management ranks.

The Foundation also needs to consciously guard against over-reliance on personal networks within a small staff team and actively develop, diversify, expand and record its stakeholder, sponsor, service provider and information network.

**Sponsorship and Funding**

The Foundation has done remarkably well in developing and stabilising its financial base through participant scholarships sponsored by rural research corporations, government agencies, business and community organisations.

An analysis on the sponsorship base indicates that the scholarships are financed about one third each by the rural research corporations, one third by government agencies and one third by combined industry and community sponsors. About half the dollars behind the sponsorship are taxpayer sourced and half industry or community sourced.

It continues to be appropriate for the rural research corporations to sponsor 30 to 40 percent of the ARLP scholarships as part of their key role in developing their industries and the skills and knowledge of their primary constituents. The industry levy facilities of the rural research corporations and their marketing counterparts are the only significant mechanism available to rural industries to raise sufficient funds to make a significant difference and address market failure issues such as skills development. However the corporations will need to be continuously assured that the Foundation is running a state of the art program, is evolving, is addressing critical needs and is making a difference.

We suggest that industry sponsorship of scholarships could be increased and developed to replace some of the government sponsorship which can be expected to decline as government funding programs are wound back. However, at the same time it is critical that not too many of the Foundation’s scholarships are tied to a particular organisation and that the ability of selected participants to respond to the ARLP program is maintained. The Foundation should advocate open scholarships to attract the highest calibre candidates with diverse rural backgrounds to the program.

**Communications**
We note and support the recent appointment of a part-time public relations adviser and facilitator to the Foundation. This appointment should play a key role with the Executive Director in profiling the ARLP, its graduates and their achievements in the media which in turn should attract applicants and sponsors.

Several organisations indicated that they have had difficulty getting suitable nominees for the scholarships they sponsor because the ARLP is not sufficiently well known around the bush or on the high seas. We suggest that ARLP communication materials be directed to industry, regional and community outlets in addition to the national press.

The ARLP could also benefit from profiling in the academic and professional literature, for example through conference or professional journal papers. Some of the Alumni, researchers with an interest in leadership skills development or the Sigma Consultancy who carry out the participant evaluations could assist in this regard.

Several graduates have already formally reported back to their sponsors, industry or community organisations and all graduates should be encouraged to do so in accord with their written agreement with the Foundation. The graduates are the Foundation's best advertisements and should be encouraged and assisted to report to or address industry and community meetings and also to regional media on the ARLP and their personal experience and benefits from participation in the program.

The Australian Rural Leadership Network

The Alumni were not specifically included in the terms of reference for this review, but because we consider their activities and relationship with the Foundation so critical to the future of the ARLP, we have included this section on the Alumni.

As we have already stated, the ARLP graduates or Alumni are the Foundation's living advertisements. Their performance and actions will inevitably be linked back to the Foundation and its program. Good performances will reflect well on the Foundation. Poor performance, arrogance or inappropriate use of the ARLP linkage will reflect poorly on the Foundation and create significant political difficulties for the Foundation and for future graduates.
The role and future activities of the Alumni through their association, the Australian Rural Leadership Network, are critical and if there is any move on the part of the Alumni as a group to take up party political or industry agri-political activity, then the Foundation's support base can be expected to be threatened. The Alumni need to ensure that their fund raising activities are complimentary to those of the Foundation and not in conflict.

On the other hand, if the Alumni promote themselves to industry and government as a talent bank and a body for continued learning and leadership development then their activity can be expected to reflect positively on the Foundation.

As already mentioned, the Alumni can also provide invaluable support to the Foundation in identification of possible course participants, in selection of participants, in assisting with program activities, in promoting the Foundation's activities and in raising scholarship funds.

**Recommendation:**

That the Foundation continue to support the Alumni through the Australian Rural Leadership Network and encourage the development of their continuing education and leadership enhancement activities.
10. Attachments

- Review Terms of Reference
- The Review Team Bionotes
- List of Contributors to the Review
- Summary of Relevant Rural Leadership and Management Courses in Australia
- ARLP Statement of Key Requirements for effective leadership at higher levels in rural and regional Australia
- ARLP Course 3 Outline Curriculum
- References
The Australian Rural Leadership Program, an initiative of the Rural Industries Research and Development Corporation (RIRDC), is now in its fifth year. Course 1 finished in September 1994, Course 2 finishes in September 1996, Course 3 is a third of the way through and Course 4 is about to start.

In 1992, RIRDC and the Foundation agreed that a thorough review and evaluation should occur at the end of the second course.

To this end, RIRDC and the Foundation have agreed that an independent panel should be appointed to review and evaluate the Program and suggest any measures which might add to its quality, effectiveness and appeal.

In particular, the panel should examine and report on:

- the extent to which the Program is addressing the need for higher level leadership development in rural Australia;
- the cost effectiveness of the Program—given its objectives and its outcomes in terms of knowledge, skills and networks;
- the appropriateness of the level and mix of participants in the Program, the performance of graduates and participants, and the extent and effectiveness of the evaluation systems;
- the effectiveness of the structure and conduct of the Program, including the relevance of the curriculum; and
- the appropriateness and cost effectiveness of the structure and operation of the Foundation, including the adequacy and sustainability of its funding.

The panel should provide a report to RIRDC and the Foundation by 31 January 1997.

(The date for completion of the Review was subsequently extended until mid-March 1997)
Attachment 2  The Review Panel

Margot Cairnes is a Sydney based international leadership expert who addresses sensitive, strategic and political issues that confront World Leaders, Corporate Chief Executive Officers and members of Corporate Boards. Her clients include Fortune 500 companies in Europe, the USA and Australia. She has written two books in the field of leadership and organisational change, Peaceful Chaos: The Art of Leadership in time of Rapid change and Reaching for the Stars: The Politics and Process of Bringing Vision into Reality. She maintains an Internet site on Leadership.

Geoff Allen is Chairman of the Allen Consulting Group, Chairman of the Australian Centre for Corporate Public Affairs, a Director of Pasminco Limited, Melbourne Business School Limited and World Competitive Practices Limited. He is President of the Melbourne Business School Alumni and has been a member of its faculty full-time or part-time since 1974.

A former Commonwealth public servant and political adviser to the Minister for Labour, the Federal Treasurer and Leader of the Opposition, he was also foundation Executive Director of the Business Council of Australia. He is an adviser to major companies, the Commonwealth and State governments and is a member of numerous government advisory bodies in the fields of trade, economics and business policy.

Rick Farley

Rick Farley is the Managing Director of the Farley Consulting Group, which specialises in land use agreements. He is also a member of the National Native Title Tribunal and the Council for Aboriginal Reconciliation.

Mr Farley worked for rural organisations for 19 years. He was the Executive Director of the Cattlemen's Union of Australia from 1979 to 1985 and Executive Director of the National Farmers Federation from 1988 to 1995.

He played a key role in the establishment of the Australian Farmers Fighting Fund, the Decade of Landcare and the passage of the Native Title Act. Mr Farley also facilitated the Cape York Land Use Heads of Agreement, a process for the management of Lake Victoria and was the lead member for the NNTT in the Century Mine negotiations.
Attachment 3 Contributors to the Review

John Anderson  Minister for Primary Industries and Energy
Julie Austin  National Farmers Federation
Robert Bain  National Association of Forest Industries
Helen Board  Rural Women's Unit, Department of Primary Industries and Energy
Gillie Brown  ARLP Course 3
Paul Brown  ARLP Course 1
Sue Brumby  ARLP Course 3
Michael Cameron  ARLP Course 3
Tim Cartledge  ARLP Course 1
Phil Chidgzey  The Western Australian Farmers Federation
David Clark  ARLP Course 3
Wayne Comish  South Australian Farmers Federation
Peter Corish  Australian Cotton Foundation
Wendy Craik  National Farmers Federation
Sarah Crooke  ARLP Course 1
Paul Donnelly Corporation  Dairy Research and Development
Phillip Evans  ARLP Course 1
Peter Farrell  ARLP Course 2
Simon Field  Australian Institute of Agricultural Science
Peter Fitzgerald  ARLP Course 3
George Gardiner  ARLP Course 1
Elizabeth Gillard  Queensland Department of Primary Industries
Bob Granger  Queensland Fruit and Vegetable Growers
Stephen Guazzo  ARLP Course 2
Richard Haire  Queensland Cotton
Stephen Hinge  ARLP Course 2
Greg Hooper  ARLP Course 2
Phillip Jauncey  ARLP Course 1
Kate Joseph  ARLP Course 2
Geoffrey Jureidini  Meat Industry Council
Chris Kelly  ARLP Course 2
James Kerr  ARLP Course 1
Helen King  Fisheries Research and Development Corporation
Onko Kingma  Department of Primary Industries and Energy
Cam Kneen  ARLP Course 3
Charles Litchfield  ARLP Course 3
Mike Logan  ARLP Course 1
Deon Mahoney  Fisheries Research and Development Corporation
Linda Marquis  ARLP Course 2
Greg Marr  ARLP Course 2
Donald McGaughie  National Farmers Federation
Paul Moxey  ARLP Course 3
Ray North  Australian Pork Corporation
Catherine Noy  Foundation for Australian Agricultural Women
Nick Oaks  ARLP Course 2
Rob Patrick  ARLP Course 1
Tony Peacock  Pig Research and Development Corporation
Peter Peterson  ARLP Course 1
Sherman Railsback  Auscott Ltd
David Rendell  Partner of Sue Brumby ARLP Course 3
Kim Russell  ARLP Course 2
Peter Ryan  ARL Course 2
Bemie Scott  Department of Primary Industries and Energy
Kevin Sheridan  NSW Agriculture
Richard Shoobridge  ARLP Course 3
Lorraine Smith  ARLP Course 2
Hugh Sutherland  ARLP Course 3
Elizabeth Stanhope  Queensland Rural Training Council
Michael Taylor  Department of Natural Resources and Environment, Victoria
Russ Taylor  ARLP Course 2
Debbie Thiele  ARLP Course 3
Rod Thirkell-Johnston  Wool Council of Australia
Paul Trevethan  ARLP Course 2
### Attachment 4 Summary of Relevant Rural Leadership and Management Courses in Australia

<table>
<thead>
<tr>
<th>Program Title</th>
<th>Program Sponsor</th>
<th>Scope/Topics addressed</th>
<th>Length / frequency</th>
<th>Cost / fee pp</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queensland Rural Leadership Course</td>
<td>Queensland Rural Training Council in assoc with the Queensland Farmers Federation</td>
<td>Qualities of leadership, managing change, trends affecting agriculture, vision, negotiating skills, problem solving, media skills, industrial relations, political processes.</td>
<td>5 days residential, once each year</td>
<td>$750</td>
<td>07 3844 7284</td>
</tr>
<tr>
<td>Rural Leadership</td>
<td>Adelaide College of TAFE / SA Rural Training Council</td>
<td>Leadership style, functions of leaders, problem solving, decision making, social action processes, media skills, lobbying, group activities and resources, managing yourself.</td>
<td>4 days non-residential</td>
<td>$560</td>
<td>08 6232 5555</td>
</tr>
<tr>
<td>Rural Leadership Program</td>
<td>Marcus Oldham College, Aust. Wheat Board</td>
<td>Leadership roles, personal assertiveness, communication skills, negotiation, public speaking, meeting procedures, press processes, interpersonal skills.</td>
<td>5 days residential, once each year</td>
<td>$800</td>
<td>052 433 533</td>
</tr>
<tr>
<td>AWB Grain Leaders</td>
<td>Aust. Wheat Board, Marcus Oldham College</td>
<td>The Wheat Board, international grain markets, domestic markets, grain pools, role of government, risk management, case studies.</td>
<td>3 days sponsored by AWB</td>
<td>$300</td>
<td>03 9209 2063</td>
</tr>
<tr>
<td>Learning from Leaders</td>
<td>Aust. Institute of Agricultural Science</td>
<td>Aspects of leadership, leadership styles, networking, seminars with industry leaders</td>
<td>10 seminars / discussion evenings</td>
<td>$300 per member</td>
<td>03 9662 1077</td>
</tr>
<tr>
<td>New Leaders Forum</td>
<td>Johnson &amp; Johnson New Leaders Foundation</td>
<td>Values, making a difference, teams, imagination, innovation and creativity, visions, leadership styles and processes, integrity, ethics and good governance.</td>
<td>4 days sponsored by Johnson &amp; Johnson and others</td>
<td>$35,000 (2yr)</td>
<td>02 9439 6502</td>
</tr>
<tr>
<td>Australian Rural Leadership Program</td>
<td>Australian Rural Leadership Foundation</td>
<td>Leadership skills development, team building, developing a shared vision, leading change, business ethics, values, resolving conflict, communicating, media use, lobbying, networking, national, international, regional, industry,</td>
<td>60 days residential over 2 years (6x5/6 day plus 1x13 day N Aust. and 1x16 day overseas sessions)</td>
<td>$35,000 (2yr)</td>
<td>06 281 0680</td>
</tr>
<tr>
<td>Program</td>
<td>Organizing Authority</td>
<td>Content</td>
<td>Duration</td>
<td>Fee</td>
<td>Contact Information</td>
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<tr>
<td>Rural Leadership and Business Development Program</td>
<td>Queensland Department of Primary Industries</td>
<td>Leadership styles, personal effectiveness, stress management, communication, media and presentation skills, time management, goal setting, managing change, team building, strategic planning, performance management, lateral thinking and creativity.</td>
<td>30 days over 9 mths (6x4 day modules and 1x6 day action learning module)</td>
<td>$1500 plus meals, accom. and $4900 pp</td>
<td>07 3224 7048</td>
</tr>
<tr>
<td>Foundations for Leadership Course</td>
<td>WA Government</td>
<td>Leadership roles and styles, communication, public speaking, presentation and media skills, strategic planning, group processes and facilitation skills, negotiation and conflict resolution.</td>
<td>3.5 day intensive courses in regional centres</td>
<td>$100 plus sponsorship</td>
<td>096 901 515</td>
</tr>
<tr>
<td>Future Leaders Course</td>
<td>WA Government</td>
<td>High level leadership development, personal and group goals, contribution to industry and community, industry and community case studies, national or international study tour.</td>
<td>20 days over four months</td>
<td>$500 plus sponsorship</td>
<td>096 901 515</td>
</tr>
<tr>
<td>Specialist Market Leadership Training</td>
<td>WA Government</td>
<td>Flexible and designed according to participant needs but may include study tours, industry workshops and marketing forums, case studies and benchmarking studies.</td>
<td>undefined</td>
<td>principally participant funded</td>
<td>096 901 515</td>
</tr>
<tr>
<td>Gippsland Community Leadership Program</td>
<td>Scope Adult &amp; Community Education</td>
<td>The economy, education, employment, industry, business/commerce, the environment, industrial relations, social justice, technology, communications, arts &amp; culture, Gippslands future.</td>
<td>20 days over 10 months, non-residential, one weekend retreat.</td>
<td>communit y, corporate and local governme nt sponsors</td>
<td>051 343 111</td>
</tr>
<tr>
<td>Goulburn Murray Community Leadership Programme</td>
<td>Sustainable Regional Development Board</td>
<td>To be determined</td>
<td>Two full days per month from February to November</td>
<td>communit y / corporate $500pp</td>
<td>058 290 406</td>
</tr>
<tr>
<td>Green Triangle Rural Community Leadership</td>
<td>Wool &amp; Rural Industries Skill Training Centre</td>
<td>Developing a shared vision, team building, leading change, business and social ethics,</td>
<td>Approx 20 days over one year non-residential</td>
<td>communit y, corporate,</td>
<td>055 730 943</td>
</tr>
<tr>
<td>Program (Vic/SA) (WRIST)</td>
<td>Williamson Community Leadership Program</td>
<td>Leadership Development Program</td>
<td>Leadership in Senior Management Program</td>
<td>The Director as a Strategic Leader Program</td>
<td>Executive Development Program</td>
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<tr>
<td>Programs</td>
<td>Visioning the future, challenges of leadership, community, industry, city country leadership issues, social justice, the media, information technology, the arts, politics and government, ethics and leadership.</td>
<td>Leadership, performance development, decision making, team building, problem solving, enhancing learning processes.</td>
<td>Exploring views on leadership, what makes up leadership, the relationship between leadership and planning, the practicalities of making it happen, performance at the bottom line for leadership.</td>
<td>Strategic management, environment, industry and competitive analysis, strategy formulation, implementing strategy, strategic change and corporate culture, leadership to implement strategy.</td>
<td>Strategic management, leadership skills, voice projection, memory skills, team building, goal setting, action planning, managing creativity, financial management.</td>
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<tr>
<td></td>
<td>resolving conflict, managing special interest groups, interacting with the public service, communications, the media, networking, IT, best practice and quality assurance.</td>
<td>31 seminars, retreats, luncheons, dinners, field trips and social outings over 12 months.</td>
<td>5 days residential and non-residential</td>
<td>5 days residential</td>
<td>13 days residential, three courses each year</td>
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<td>$15,000 of which each participant contributes $400</td>
<td>$4,950</td>
<td>$7,225 pp</td>
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</tr>
<tr>
<td>Development Program</td>
<td>Business School, UMelb.</td>
<td>Development Program for Managers</td>
<td>Aust. Graduate School of Management UNSW</td>
<td>marketing, effective communication, winning negotiations, information technology, managing financial resources.</td>
<td>residential, once each year</td>
</tr>
</tbody>
</table>
Attachment 5 Key Requirements for Effective Leadership at the Higher Levels in Rural and Regional Australia

**KNOWLEDGE**

An overall perspective on the activities of their industry/organisation—Including strengths and weaknesses

Their own strengths and weaknesses

Full understanding of the larger environment in which their industry/organisation operates—including the national social and political environment, and the international market place

Values, tactics and arguments of other interest groups

**SKILLS AND ABILITIES**

Create, articulate and drive a vision

Build effective teams

Sense the changing currents in organisations and the environments in which they operate

Identify and analyse the strategic issues affecting the future of rural and regional Australia

Influence governments, industry and the community, and participate in shaping national policy

Conceptualize and communicate effectively

Lead change and resolve conflict

Instil confidence in those around them that together they can achieve the results

Influence others through the media

Negotiate, lobby and represent

Strategic planning
Reflection and listening

**NETWORKS**

Strong links with the leaders of all of the industries and sectors in rural and regional Australia

Strategic alliances and a widely shared vision

Strong links outside rural and regional Australia

**CHARACTERISTICS**

Depth of commitment, wisdom and courage

Strong sense of purpose, direction and service

Positive, constructive, dynamic and creative

Belief that they can help shape the future

Strong faith in the efficacy of their vision in difficult times

Mental toughness, persistence and determination

Take risks and challenge the status quo; decision making

Strategic thinking

21st Century business culture

Broad minds and horizons

Openness to continually learning more

Strong emphasis on vision, values, ethics, motivation, personal discipline, humility and reflection

Friendly, tactful and diplomatic
Attachment 7 References


Update Newsletter of the Ontario Advanced Agricultural Leadership Program, June 1996