

BE PART OF GROWING NZ



Annual report for the
Primary Industry Capability Alliance
YEAR TO 30 JUNE 2015



PICA

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MESSAGE FROM THE CHAIR

Welcome to the first Annual Report for PICA—the Primary Industry Capability Alliance Incorporated. I am very pleased to be able to report on a successful year, to reflect on the origins of the Alliance and to look at the achievements to date.

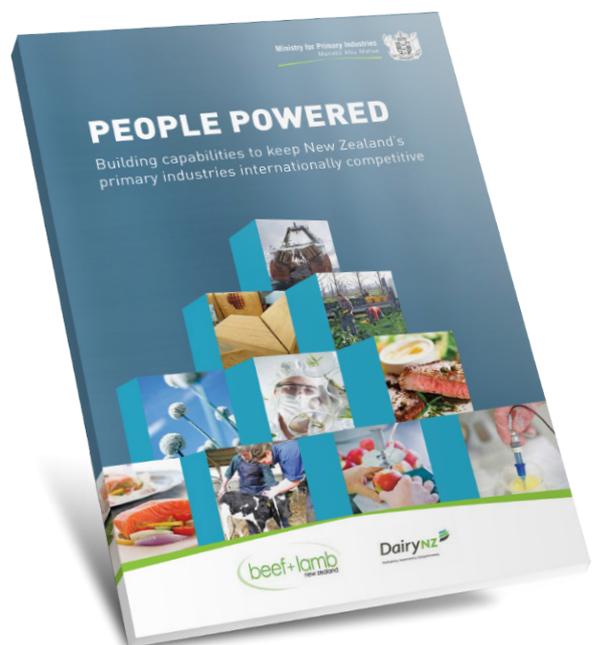
PICA formally commenced activities in July 2014, with our new CEO Andy Somerville starting in August. At the core of the Alliance's formation is the recognised need in the primary industries for a stronger level of coordination of work in the capability area, more effective collaboration and leadership. PICA now enables all primary industries to operate at scale when attracting and growing their next generation.

There were several key drivers behind the formation of PICA, in particular:

Future Capability Report—A formal analysis was done in late 2013 and early 2014 to identify what capability the primary industries will need in order to meet their targets for growth, which will help maintain New Zealand's economic aspirations (framed as 2025 targets that align with the Government's Export Double goal). This work resulted in the *Future Capability* report (and *People Powered* summary report), which was launched in March 2014. It projected the number of people with associated skills and qualifications essential to competitive growth. In particular it identified the need to attract a larger number of more highly skilled new entrants.

Primary Growth Partnership—DairyNZ is addressing "capability and capacity" as part of the Transforming the Dairy Chain programme which is co-funded by the Ministry for Primary Industries through the Primary Growth Partnership (which in turn is reported through the Government's Business Growth Agenda). As part of this, DairyNZ identified the need for a more strategic, joined-up approach to promoting primary industry capability opportunities, particularly for professionals that work in associated fields such as research and providing services to farmers. DairyNZ was instrumental in founding the Alliance and is a key funder. The Red Meat Profit Partnership (RMPP) programme commenced in 2014 with Primary Growth Partnership co-funding. This programme also includes future capability initiatives with programmes to attract and retain people in the sector and programmes to develop business skills that align with PICA. Beef + Lamb New Zealand is a major funder of RMPP and is also a key PICA funder.

In addition to this, *Vocational Pathways* (the Ministry of Education and Careers NZ model) is being used to help integrate school activities with study and career options. In particular, it aims to help young people make successful transitions through school, study, training and first jobs. These agencies are keen to work with PICA as coordinator for this pathway, which involves a number of initiatives. This provides opportunities to help careers advisers and secondary school teachers to understand that there are excellent job opportunities for able students in the primary industries.



PICA Establishment

PICA has been established as a membership organisation. The members participate in many ways including through representation on working groups supported by an annual financial contribution. Membership provides a number of benefits - the scope and scale of activity to attract people to the industries, the ability to learn from each other sharing diverse approaches, being represented at forums that they may previously have not been in, sharing consistent and high-impact messages to the target audiences and sharing in research, monitoring and reporting on career progression. In turn they provide leadership in the capability space through supporting effective initiatives.

The Alliance has built up strong engagement with its current members, which are DairyNZ, Beef + Lamb New Zealand, NZ Young Farmers, Lincoln University, Primary ITO, Ministry for Primary Industries, Taratahi Agricultural Training Centre and Aoraki Polytechnic (joined June 2015). The members, for example, report that their representatives have gained a lot from attending working group meetings where aspects of future capability are openly discussed and ideas shared.

I want to thank the member representatives who have participated in the Advisory Group and Working Groups.

I look forward to further membership growth and to the work of PICA continuing to benefit the primary industries in New Zealand in the coming year. I would also like to congratulate Andy Somerville on a successful first year leading PICA and launching an effective secondary school strategy on behalf of our members.



Dr Mark Paine
Chairman, PICA





MESSAGE FROM THE CEO

The past 12 months have been an exciting and challenging time as we have put the thinking behind the formation of PICA into action.

The work done to build the case for PICA was thorough, and it was based on a real need across the primary industries to have a strong and unified approach to capability development. The organisations behind PICA have been active in their support and clear in what is important to this key segment of New Zealand's economy.

Engagement activity across the industry has been an important part of the first year, and it has been pleasing to see the high level of interest and the growing support for the work of the Alliance.

The *Future Capability* report identified the need for a higher proportion of more highly skilled graduates, as well as sufficient new entrants to cover natural turnover and an increase in the overall number. PICA has begun this year to address the report findings in several ways:

- > Analysing levels of current student enrolment and completed qualifications, with benchmarks being developed
- > Investigating how we can support secondary schools in presenting primary industry courses
- > Investigating what schools need to incorporate primary industry material in teaching of all subjects
- > Facilitating collaboration in the primary industry to be more effective in promoting careers, for example for the 2015 Career Expo series
- > Agreement on messaging that changes people's assumption that primary industry roles are for less academic people by emphasising sophistication, for example use of high-tech equipment and technical jobs such as scientists.

On the following page is a diagram showing key functions that are either in PICA or that PICA is involved in, their main strategic direction and any working groups that support the activities.

PICA has established two key working groups—one to build a secondary schools programme and the other to progress an aligned marketing and communications strategy. In addition, we are actively involved with the Ministry for Primary Industries and the Ministry of Education in a pilot initiative addressing schools in three districts and their engagement with local primary industries.

It is important for PICA and its growing membership that there is value in belonging to the Alliance. Being part of PICA brings the following benefits:

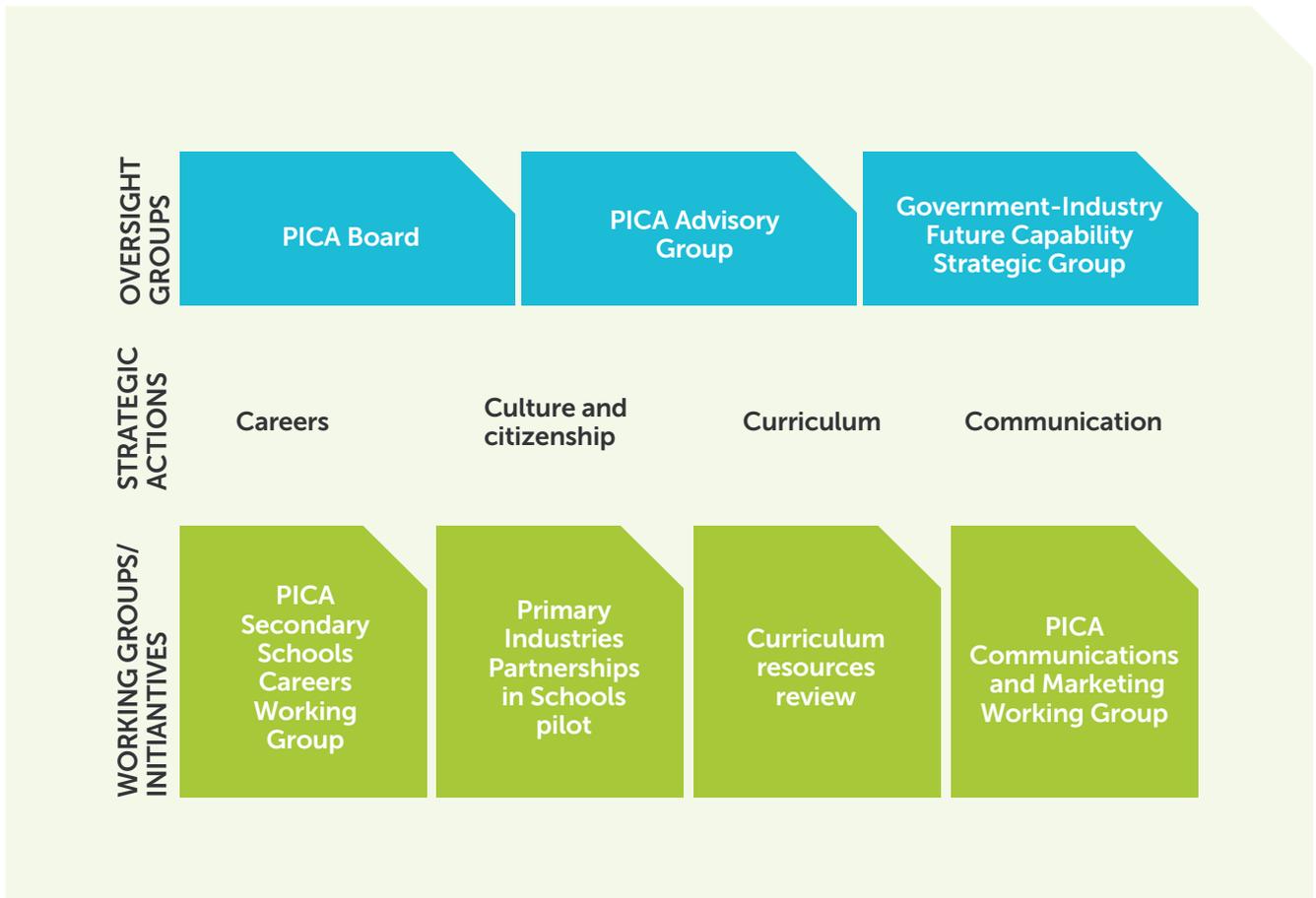
- > Be recognised as a key contributor to collaboration and growth in primary industry capability
- > Help build (and be an active part of) an industry-wide careers promotion platform
- > Get better value for the individual organisation's investment in capability initiatives through wider reach and reduced duplication
- > Keep well-informed regarding capability issues and initiatives
- > Up-skill the organisation's staff through involvement in working groups
- > Build powerful advocacy through a united voice on pan-sector people capability issues.

PICA has made a very successful start to its important work. The development and initial roll-out of the industry career brand of Growing NZ has been a real highlight.

I would like to thank the founding members for their support and the enthusiastic way in which they have contributed to the work we have begun. Membership is growing and a number of other organisations are looking to join the Alliance. Broadening PICA's base will help achieve the members' objectives as well as strengthening the Alliance's reach, activities and outcomes.

Andy Somerville
CEO, PICA





PICA key functions or those that PICA is involved in, their main strategic direction and any working groups that support the activities.



BOARD MEMBERS

Dr Mark Paine (Chairman)

Mark is the Strategy and Investment Leader for People and Business at DairyNZ. This role addresses issues of recruitment, employment relationships, leadership and career development in the dairy industry. He was formerly the Dairy Australia Principal Research Fellow (Innovation and Change Management) at the University of Melbourne. Mark formed strong working partnerships with advisors and rural professionals to conduct his research using a co-development approach. Mark received the APEN Award for Extension Excellence in 2007. His PhD research (Wageningen University, The Netherlands) investigated innovation in the New Zealand dairy industry.



Diane Falconer

Diane was actively involved in the establishment of PICA and is the Beef + Lamb New Zealand representative on the board. Diane has a background in human resources and learning and development across the hospitality and agricultural sectors. Currently working for Beef + Lamb New Zealand, Diane has been seconded to Red Meat Profit Partnership to work within the Sector Capability project. Her projects focus on attracting and retaining people to the sheep and beef sector and programmes to develop capability.



Terry Copeland

Terry has been the CEO of New Zealand Young Farmers since October 2013, having previously worked for 25 years in the wine industry in a variety of roles in New Zealand, Australia and Japan. In addition, he is the current Advisory Group representative on the PICA Board. Outside of work, Terry is an internationally recognised senior wine judge having been invited to top competitions in Europe, USA, Hong Kong and the many New Zealand wine shows.



ADVISORY GROUP

The PICA Advisory Group comprises representatives of each of the member organisations. The Advisory Group meets bi-monthly, helping set PICA's direction and to shape its activities. The Advisory Group elects one Board member on an annual basis and nominates working group participants.

Current Advisory Group members are:

- > DairyNZ—Alan Barker
- > Beef + Lamb New Zealand—Doug Macredie
- > Ministry for Primary Industries—Richard Lynch
- > Primary ITO—Mark Jeffries
- > Lincoln University—Jeremy Baker
- > NZ Young Farmers—Terry Copeland
- > Taratahi Agriculture Training Centre—Linda Sissons (from July 2015)
- > Aoraki Polytechnic—Andrea Leslie (from July 2015)

Report on key activities

Secondary schools careers programme

The secondary schools working group has a vision of:

- > Increasing the understanding in New Zealand school communities of the importance of the primary industries to New Zealand, and
- > Attracting talented people into primary industry careers to meet current and future capability requirements.

This work is being run by a group comprising PICA member representatives who have experience in the schools space, along with staff from the Ministry of Education and Careers NZ.

Key activities are:

- > Working together to understand current activity in this space and develop alignment and coordination
- > Creating an accessible reference point for school communities about activities that they might want to engage with
- > Working with the communications working group to test a coordinated approach at the 2015 Career Expos
- > Developing an evaluation dashboard
- > Commissioning research to help improve the targeting of activities and resources
- > Implementing an engagement plan targeting key influencers, including Māori, in school communities.

They have agreed there needs to be a greater overall focus on urban schools.

Marketing communications working group

A working group of Alliance members with specific marketing or communications experience has been formed. Initially this group has worked to develop a broad and clear industry careers brand and associated messaging for primary industry careers that will connect with young people and be available for use by Alliance members for their own communications. Following testing, "Growing NZ" was adopted as the brand along with a design that is both fresh and informative.



This has been used at the Career Expos held across the country in May and June. Very positive feedback was received regarding both the look and the combined industry messaging (see photo). Careers NZ made particular reference to this and has identified the primary industries (through PICA) as leading industry collaboration, which they see as extremely helpful and positive.

Government-industry future capability strategic group

This group, comprising of Ministry for Primary Industries, Ministry of Education and PICA, provides an overview and coordination of activities that will help achieve the targets identified in the 2014 *Future Capability* report. The Group is in the early stages of developing an overarching Strategy document. It receives reports on developments, such as the new Ministry of Education POND portal for teachers and Ministry for Primary Industries' review of curriculum resources. PICA's role is to represent industry and support initiatives that connect with its objectives.

Primary industry partnerships in schools

This pilot programme seeks to bring together schools, industry and communities to support students' learning by providing a primary industries context to the cross-curricular learning taking place in the Y1-10 levels.

This initiative is being led by the Ministry of Education, with involvement from Ministry for Primary Industries and PICA. The Ministry of Education is providing information around the current state and curriculum development, and assists with the strategic approach. The Ministry of Education's Vocational Pathways team has provided a senior member to support the primary industries activity. PICA's role is to provide the industry view, to assist in planning and will lead future engagement with industry. Ministry for Primary Industries is supporting the engagement and will look to connect the schools with aligned activities such as Enterprising Primary Industries Career (EPIC) challenge.





FINANCIAL SUMMARY

PICA has been established as an incorporated society with funding provided by members in two categories, Governing and General.

Governing Member are DairyNZ and Beef+Lamb New Zealand and these organisations contribute \$150,000 each to PICA.

General Members are NZ Young Farmers, Taratahi Agricultural Training Centre, Primary ITO, Lincoln University, the Ministry for Primary Industries and Aoraki Polytechnic. Each contributes \$25,000 as an annual subscription. PICA has reviewed its subscription model and for the coming year has agreed to provide a reduced General Membership subscription

of \$10,000 a year for organisations with turnover less than \$10 million. This recognises that the size and focus of some organisations are such that this level of contribution is appropriate to enable full contribution, and create the involvement of a broader membership base.

The surplus recorded represents a conscious effort to establish PICA with a financial buffer that sets it up to be able to support the growth and activities its members agree on undertaking. PICA relies on its membership subscriptions and as such, it has been prudent to build and carry a level of financial headroom from the first year. Some expenses forecast for 2014-15 have also been delayed until 2015-16.

Financial results for the year ended 30 June 2015

Statement of financial performance

Receipts/Income

Subscriptions	
Governing	\$300,000
General	\$125,000
Marketing contribution (DairyNZ)	\$8,000
Interest	\$3,335
Total	\$436,335
Expenses	\$307,613
Surplus	\$128,721

Statement of financial position

Assets

Cash at bank	\$65,773
Short term deposits	\$112,401
Accounts receivable	\$31,000
Fixed assets	\$2,955
Total assets	\$212,130

Liabilities

Creditors	\$17,758
GST payable	\$5,264
Receipts in advance	\$50,000
Provisions	\$10,384
Total liabilities	\$83,408
Net assets	\$128,721

Directory

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Accountant

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Lower Hutt

Solicitor

Cavill Leitch
Christchurch

Bank

ANZ

Membership

Governing members



General members



Ministry for Primary Industries
Manatū Ahu Matua



**GROWING
NZ**