

Board will anticipate dots

Key Points

- AIM strategy practices “emergence” versus “crisis” management.
- Plan is management tool to expand board’s vision.

By **ROD SMITH**

PORK producers are adopting an “anticipatory issues management” (AIM) strategy to identify the “dots” and connect them early enough to mitigate the potential for emerging issues to become costly problems.

The National Pork Promotion & Research Board adopted the concept at its recent meeting in Des Moines, Iowa. It is intended to discover and plan responses to external forces that can adversely affect pork producers’ success by doing more “emergence management” and less crisis management, according to an outline presented to the board.

AIM will be a management tool, not public relations, for the board to use to prioritize checkoff funding in planning checkoff programs to reduce the cost and impact of emerging issues on the industry, board chief executive officer Steve Murphy said.

An emerging issue is one that could lead, over time, to unforeseen actions by customers or consumers and/or to legislation and regulations that affect how pork producers run their farms, according to Charlie Arnot at CMA Consulting LLC in Kansas City, Mo.

The issue may take any length of time — “days, months or years” — to emerge, he said in presenting the concept to the board. It emerges when certain parties like scientists or special interest groups identify it and start working to deal with it; the issue reaches the crisis point when the media and public pick up on and trigger it, bringing it to the attention of policymakers (Figure 1), he added.

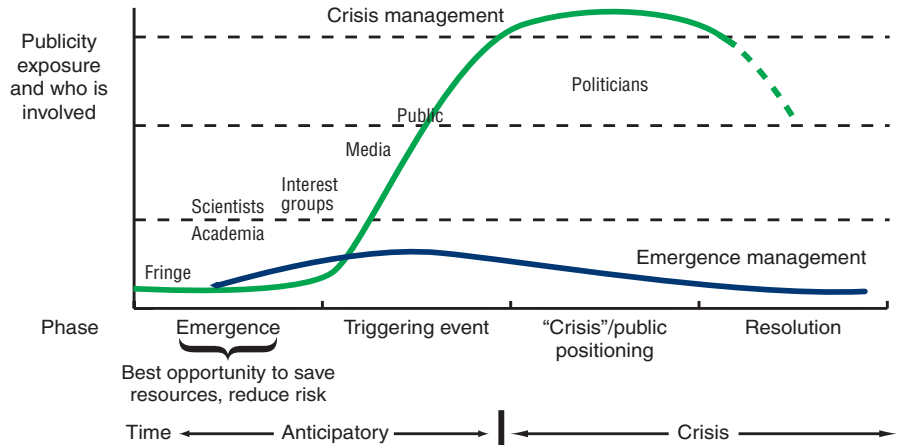
Allowing an issue to reach the crisis stage almost always leads to an imposed resolution on the industry, often with undesirable results, Arnot said. The best opportunity to reduce the risks and costs the issue poses is during the emergence phase, he said.

“This is what AIM is about,” he said.

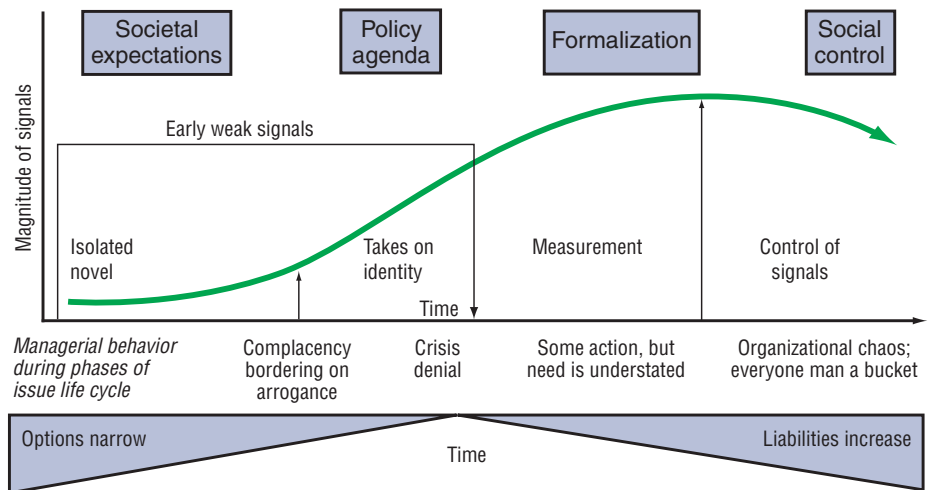
Connecting dots

An AIM approach in managing issues involves monitoring sources — the general and trade media, internet, conference proceedings, published research, opposition activities, etc. — and identifying “converging or diverging trends” that have the po-

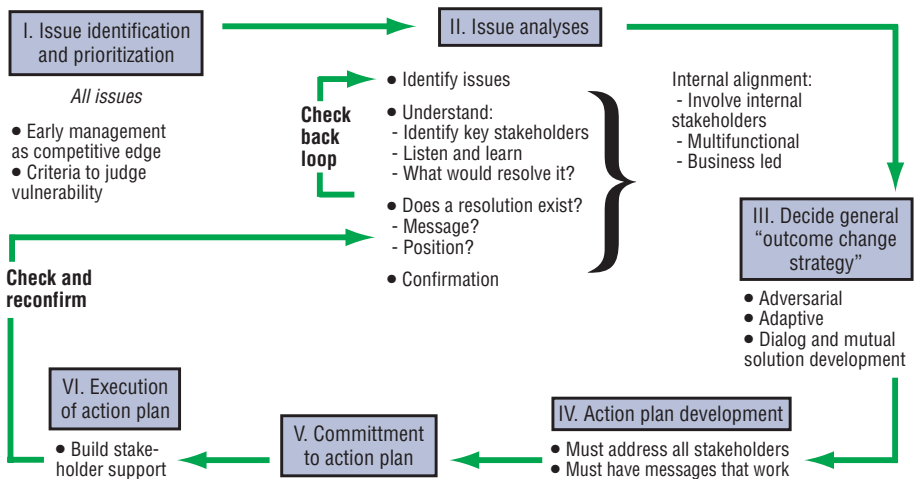
1. General life cycle of an issue



2. Normal management response



3. Emergence management response



Source for Figures: CMA Consulting LLC.

tential to affect the industry, Arnot said.

This is where emergence management starts “to connect the dots” to determine opportunities or threats the dots represent, or “implications for pork producers,” he said. This monitoring will be done by the board’s “Issue Management Team” (IMT).

IMT members will monitor issues domestically and internationally, he said. Issues will be prioritized by their likelihood of reaching high-impact levels by an “Informed Futurists Panel” (IFP) made up of academia, government, industry, the industry’s supplier and customers bases and other people with expertise in issue identification and management, he said.

Based on IFP prioritization, the board will implement emergence management strategies, including checkoff-funded programs, to reduce the likelihood of triggering events, he said.

The first IFP listed six “triggering events” that could cause significant cost and risk for producers, including:

- A dramatic increase in corn prices due to ethanol production.

- Decreased agricultural spending and support in the 2007 farm bill.

- A major and unexpected announcement by a customer that conflicts with management/production practices.

- A move by Congress and/or regulators to require confined animal feeding operations to report under the “superfund” law and to make producers who did not sign up for protection in the Agricultural Air Emissions Agreement subject to citizen suits.

- A defined health issue related to workplace safety at the farm or in the packing/processing plant that would cause workers to leave.

- A well-organized human rights campaign aimed at the livestock industry that would cause major changes in operations and/or prompt lawsuits.

Seeing past scotoma

Figure 2 shows the normal way industry manages issues — crisis management — in which the issue is permitted to run out of control.

This is due to organizational “scotoma,” Arnot said, explaining that a scotoma is an area of diminished sight in the field of vision. This would be an organization’s history, culture or orientation that makes it hesitant to act, he said.

The organization and the producers it represents resist issue management for a number of reasons, Arnot pointed out, including a general lack of experience in issue management, a reluctance to engage in a process without control or knowledge of the outcome or because it is not “science based,” competition for limited resources and difficulty in measuring return on investment.

Figure 3 shows emergence management.

Murphy said the goal of AIM is not to develop “a laundry list” of issues to tackle and programs to implement but to expand the board’s awareness for strategic planning.

He said AIM is about “becoming more aware so you see the things we need to know more about.”