**Level 3: Future Proofing Strategy**

**Short- and Long-Term Influences on an Agribusiness**

**Teacher Note:**

**Short-term influences** are factors that affect the business quickly, often within a single growing season or year. These include things like extreme weather events, pest outbreaks, sudden price changes, or labour shortages, all of which can directly affect crop production, costs, and income in the immediate future.

**Long-term influences** are broader trends or issues that develop over several years and shape the future of the business. These include climate change, soil health, changing government policies, technological advancements, and shifts in consumer demand. Managing these long-term risks is essential for ensuring the ongoing viability and growth of the business.

By understanding both types of influences, agribusiness can make better decisions, manage risks more effectively, and build a more resilient business.

**Activity:**

**Choose either Activity 1 or 2.**

The activity can be completed in groups.

**Activity 1:** Identifying Short- and Long-Term Influences on a Vegetable Growing Business.

**Activity 2:** Identifying Risks and Influences on Ballance Agri-Nutrients.

**Activity 1: Identifying Short- and Long-Term Influences on a Vegetable Growing Business**

**Objective:**  
To help students understand the different factors that can affect a vegetable growing business in New Zealand in both the short and long term, and to think critically about how to manage them.

1. **Read the Statement**

A vegetable-growing business in New Zealand is affected by a range of short- and long-term influences that can impact its success and sustainability.

Short-term influences are factors that affect the business quickly, like weather, pests, or price changes.  
Long-term influences develop over years, such as climate change, government regulations, or soil health.

Understanding both helps growers make better decisions and manage risks more effectively.

1. **Brainstorm Influences**

**Task:**  
In pairs or small groups, brainstorm a list of at least 3 short-term and 3 long-term influences that could affect a vegetable-growing business in New Zealand.

1. **Explain the Impact**

**Task:**  
Choose one short-term and one long-term influence from your list.  
For each one, answer the following:

* What is the influence?
* How could it affect the business?
* What could the business do to manage or prepare for this influence?

1. **Share and Discuss**

Each group shares one short-term and one long-term influence with the class. Discuss:

* Are some risks harder to control than others?
* How can businesses prepare for risks they cannot control like the weather?
* Why is it important to think about long-term influences even when business is going well?

**Activity 2: Identifying Risks and Influences on Ballance Agri-Nutrients**

**Objective:**  
To help students understand how different short-term and long-term factors influence the viability of an agribusiness like Ballance Agri-Nutrients and how businesses can respond.

1. **Read the Statement**

An agribusiness like Ballance Agri-Nutrients is affected by a range of short- and long-term influences that can impact its success and sustainability.

Short-term influences are factors that affect the business quickly, like supply chain interruptions, price of resources, or energy cost.  
Long-term influences develop over years, such as climate change, government policy, or competition.

Understanding both helps the agribusiness make better decisions and manage risks more effectively.

1. **Group Brainstorm –** What could affect Ballance Agri-Nutrients?

**Instructions:**

* In groups, brainstorm and list factors that could affect Ballance Agri-Nutrients’ ability to operate successfully.
* Categorise each as a short-term or long-term influence.

1. **Select and Explore One Influence**

**Task:**  
Choose one short-term and one long-term influence from your list.

For each one, answer the following:

* What is the influence?
* How could it impact Ballance’s business?
* What could Ballance do to manage or reduce the risk?

1. **Share and Discuss**

Each group presents one influence and their risk management ideas to the class.

**Discussion questions:**

* Which influence do you think is the most serious? Why?
* Can a short-term issue become a long-term problem? Give an example.
* How important is it for agribusinesses to plan for the long term?

**Activity Tips**

Below is a list of influences that could impact the short-term and long-term viability of a vegetable-growing business and an agribusiness such as Ballance Agri-Nutrients. These factors come from environmental, economic, social, technological, and legal areas, all important for understanding risks and planning for success.

|  |  |
| --- | --- |
| **Examples of influences on a vegetable growing business** | |
| **Short-Term Influences**  These can have immediate effects on production, sales, and operations: | **Long-Term Influences**  These affect the future sustainability and growth of the business: |
| Weather events (e.g. floods, droughts, frosts). | Climate change impacts (e.g. rising temperatures, changing rainfall patterns). |
| Pest or disease outbreaks. | Soil health and breakdown over time. |
| Fluctuations in market prices for vegetables. | Government policy and regulation (e.g. land use, emissions targets, freshwater reforms). |
| Labour shortages, especially during peak harvest times. | Technological changes (e.g. automation, precision agriculture tools). |
| Fuel or fertiliser price spikes. | Changing consumer preferences (e.g. demand for organic or locally grown produce). |
| Supply chain disruptions (e.g. transport delays, port issues). | Access to land and land-use competition (e.g. urban development). |
| Regulatory changes (e.g. chemical use or water restrictions). | Long-term labour shortages and workforce sustainability. |
| Customer demand shifts (e.g. sudden drop in demand from restaurants). | Export market access and international trade conditions. |
| Crop failure or poor yield due to growing conditions | Biosecurity risks (e.g. new pests or diseases entering New Zealand). |
| Access to irrigation or water restrictions. | Access to capital or financing for growth and innovation. |
| **Examples of influences on Ballance Agri-Nutrients** | | |
| **Short-Term Influences**  These are immediate or sudden factors that can affect day-to-day operations, supply, sales, and customer service | | **Long-Term Influences**  These factors shape the strategic direction, reputation, and sustainability of the business over time. |
| Global supply chain disruptions (e.g. shipping delays or port closures). | | Environmental regulations around nutrient use, emissions, and water quality. |
| Fluctuations in raw material prices (e.g. phosphate, sulphur, urea). | | Climate change impacts on farming / growing patterns and fertiliser demand. |
| Changes in farmer / grower demand due to weather or seasonal conditions. | | Shifts in farming/ growing practices (e.g. regenerative agriculture, organics). |
| Natural disasters (e.g. floods, earthquakes) affecting manufacturing or logistics. | | Technological advancements (e.g. precision agriculture, AI-driven nutrient planning). |
| Energy cost spikes (e.g. fuel and electricity prices impacting production costs). | | Consumer and public pressure for more sustainable food production. |
| Shortage of skilled labour or transport / logistics workers. | | Government policy (e.g. emissions pricing, freshwater reforms, ETS). |
| Unexpected regulatory changes (e.g. sudden limits on fertiliser use). | | Reputation management (e.g. being seen as a responsible and sustainable agribusiness). |
| IT or cybersecurity threats (e.g. data breaches or system outages). | | Global competition and trade policy changes. |
| Public or media scrutiny on environmental issues related to fertiliser use. | | Investment in innovation (e.g. alternative fertiliser products or bio-based inputs). |
| Machinery breakdown or factory downtime affecting production. | | Changes in land use (e.g. urban expansion or forestry replacing farmland). |