

5. CHAPTER V: CONCLUSIONS AND RECOMMENDATIONS

In this final chapter of the paper, some recommendations for the successful implementation and execution of the strategic plan explained in Chapter 4 are given and general conclusions about the project itself and about the topic are drawn.

5.1. CONCLUSIONS

Agriculture plays an important role for the Mexican economy, and especially for the rural population. It contributes to the development of the rural areas and to the self-sufficiency of the country in terms of food supply. Though, the agricultural sector faces many difficulties and especially the conditions and the results of small producers are deficient. The Mexican government has created different institutions and programs to support rural development.

Dry bean production is no exception: It plays an important role being one of the basic aliments of the Mexican population. Though, production and commercialization are dispersed and deficient. In the state of Puebla dry beans are an important product, as well. The example of the association of dry bean producers in Las Palmas illustrates this situation. The project in cooperation of the Foundation PRODUCE and the university UDLAP intend to improve the situation of these bean farmers.

Many researches and projects have been done on this topic that reveal the challenges the producers and the whole sector face. The theories and methods of strategic management are a guideline for successful strategy development and implementation. The analyses were helpful to get a clear and comprehensive picture of the situation of the bean farmers of Las Palmas. They show a long list of challenges the producers need to overcome to get ahead.

A common mission and vision create a fundament for the self-concept and a common orientation of the association helping them to strive with joint efforts for achieving the defined goals. Those goals refer to the distinct opportunities of improvements such as production processes and technologies, commercialization, customer base, financial performance, cooperation, and qualification of the members.

The general strategic direction using the concepts of cost leadership, alliances, vertical integration and an offensive approach form the base for the definition of a concrete action plan. These recommended actions are assigned to the different functional areas

marketing, operations/production, finance, and human resources. They include the use of modern agricultural methods, assurance of water supply, taking advantage of development projects and support programs, cooperate, abolishing intermediaries, extending the customer base, accumulating savings, realizing workshops and meetings, and participating in forums.

5.2. RECOMMENDATIONS

The implementation of a strategy is one of the most critical parts of strategic management. Putting the ideas and plans into practice and achieving objectives is challenging and requires the support and the joint effort of the people involved. The following list of recommendations intends to facilitate this process:

- The workshops play an essential role in the implementation as they involve the people, train them and foster their team spirit. The most urgent topics to teach are entrepreneurial principals, the adequate use of (new) cultivation methods, e.g. fertilizers and other facilitators. On top of increased knowledge, workshops provide a situation that fosters interpersonal dynamics. The producers can get to know each other better, as professionals and as persons; they can develop trust, which is the basis for real cooperation, and a common vision. The topic “strategy” is something they need to think through and develop themselves to make it “theirs”. This paper is a starting point for the instructors going to lead the workshops: systematic ideas and advices based on analyses that can enrich and guide the discussions of the producers. In the workshops the topics should be presented concisely, descriptively, and using clear examples. The participants need to interact and to apply the acquired knowledge and/or skills.
- The application for one (or several) support programs is highly recommended. The association needs to invest to improve its situation and does not have the financial means for doing this. Several programs apply for people in their industry and in their situation, so that the probability of obtaining at least the support of the initiatives for rural development is high.
- The strategy cannot be realized all at once. It has to be done step by step, according to the available funds and skills of the producers. Though the aim is increasing the use of modern cultivation methods (technical and chemical), producers should keep

and share their knowledge about traditional bean cultivation. Especially for the case of organic production, it can be very valuable in the future.

- A detailed definition of conditions and scope of the cooperation is needed. It can develop over time and become more or less intensive. Increased hierarchical organization is recommendable. If in addition to the president leaders or responsible persons for main tasks, such as finance, purchasing, storage, transportation, maintenance etc., are elected or chosen, the association may be able to work more effectively and more focused on achieving the objectives.
- The project of constructing an irrigation system needs to be prioritized as lack of water is the biggest limitation they face at the moment affecting their whole operations and irrigation systems have proved to have a high improvement potential.
- The strategy and its performance need to be constantly evaluated and if necessary, adjusted to changes of internal or external conditions.

In general, the problem is complex and cannot be solved with a few initiatives or projects. The conditions and needs of each region, each producer and each crop are different. They need specific measures that can only partly be realized by general support programs. A comprehensive approach, i.e. a specific set of actions, determined in cooperation of experts and the respective producers usually is required to obtain greater progress.

This paper is a contribution to the project started in Las Palmas. Though, ongoing efforts are necessary to put it into practice and to improve step by step the situation of the association.

Even though the project is limited to the case of a specific group of people, later on it may be used as an example and as a guideline for other producers of dry beans or even other crops that are considering a similar solution to their problems. This is even more likely as one important objective of the foundation PRODUCE is to collect and to manage knowledge in order to take advantage of experiences and data acquired in past projects and to avoid unnecessary repetitions. (Fundación Produce Puebla, 2007)

The situation is challenging and makes it hard to be profitable and to grow. All the support available needs to be taken advantage of. The most important conditions for a

successful strategy implementation are cooperation, entrepreneurial spirit and flexibility.

If the monitoring of the strategy in the future detects deficiencies in its adaptation to the external and internal conditions, the reasons need to be well evaluated. Right now, the surrounding conditions are already quite challenging and not favorable for many producers. If the situation got worse and the strategic initiatives did not generate the wanted effects, e.g. due to falling prices, increasing costs and/or further decreasing demand, producers should also consider leaving the industry and producing other crops or applying as workers in other companies. Strategic measures can only be successful up to a certain point and it needs careful observation of the circumstances to find out the moment when more radical changes are demanded.