Maturity Models as a Diagnostic and Resource Mapping Tool for Food Hubs

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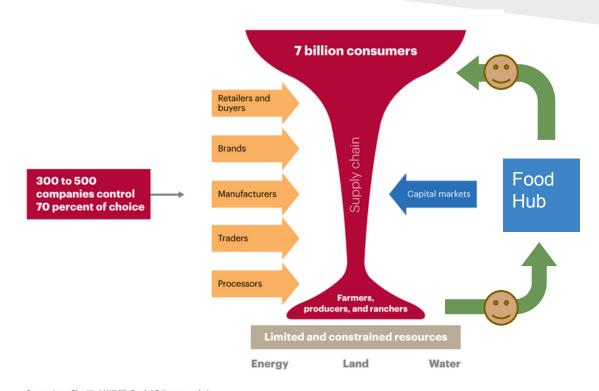




Overview

- Background
- Scope
- Methodology
- Results
- Conclusions
- Future Research
- Acknowledgements

Food Hubs, Defined



Project Scope

- **Identify**, with advisement from successful operators, consultants, investors, and others, Food Hub **critical control points** and operational **success and challenge trends**.
- **Use** these observations to assess where the **needs for technical assistance** in Food Hub operations lie.
- **Synthesize** these observations through the creation of a chronological chart tool outlining trends in Food Hub operations.

Methodology

- Reviewed existing literature
 - Government publications
 - Community of practice surveys
 - University sponsored research
- Interviewed Food Hub professionals and managers in NC and across the country
- Synthesized this information into a maturity model for use as an assessment and resource mapping tool

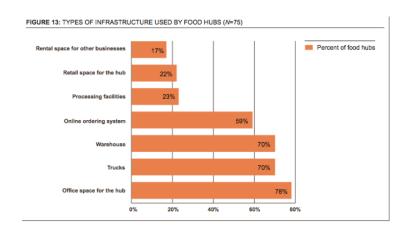
Maturity Model Background

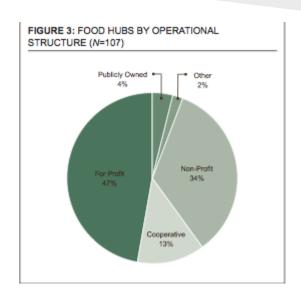
Maturity model is a framework that is used as a benchmark for comparison when looking at an organization's processes.

- Originated at Software Engineering Institute (SEI) at Carnegie Mellon University funded by the Department of Defense for the use by the Air Force.
- Focused on identifying "weaknesses" and "strengths" of companies based on different factors such as: project management, project planning, peer reviews, training, and others

Challenges

- Applying traditional literature
- Diversity among Food Hubs
- Contacting Food Hubs





Results

- The Maturity Model
 - o Trends
- Interview Trends
- Future Research/Development needs

	START-UP		⇒	DEVELOPED		⇒	MATURE	
Key Issue	Business Characteristics	Food Hub Evidence	Transition Points	Business Characteristics	Food Hub Evidence	Transition	Business Characteristics	Food Hub Evidence
Internal functions	Process changes difficult to implement No documentation of performance history (failure/success)		Development of standard terminology about organizational processes and products Development of process efficacy metrics begun	- Unified process of documentation - Impact of future process changes evaluated before implementation;	Process langauge literacy among personnel Documentation across supply chain	- Process metrics established	- Processes are adaptable based on metrics	Intrabusiness processes flexible and clearly documented Food Hub is able to change strategic partners, producers and customers according to aggregated information
Distribution/Pack and Grade/Transporta	- Little/no standardized packing of product - Receiving process not uniform	- Unreliable means of receiving or distributing product - Little/no form of regular transportation system - Frequent product returns, quality complaints - LTL freight is the rule, not the exception		- Mathematical modules combined with customer data begin to guide distribution planning - Processes are measured and controlled	Transportation roles defined Route optimization Distribution activities well documented Packing and grading standardized	- IT system integration	- IT systems guide optimization - Customer's and Supplier's plans incorporated in strategic development	Cost of transportation effectively distributed across supply chain Food Hub has ideal transportation situation (either contracted or in house) including backhaul, freight services, LTL minimization, etc.; Farmer's and customer's future development taken into acount
Sourcing	- Little/no documentation across supply chain - Have not identified strategic producers (No strategy in producer selection?)	- Few anchor farmers, small diversity of farm sizes and product - Little/no retention of farmer identity with product	- Screening process implemented for producer acquisition (scorecard?)	- Strategic producers identified and prioritized - Diverse, yet managable, sourcing base pursued	Food Hub has a diverse base of farmers whom guarantee the basis of financial viability Diversity of farm types explored and capitalized on (ex. utilizing both conventional and organic producers) Farmer identity retained throughout SC	- Development of producer "score card"	Producer "score card" integrated into supplier acquisition process Supply of prospective suppliers exceeds demand Positive and active relationships with suppliers maintained	Keystone producer's future developments strategized with Food Hub; Metrics for producer viability guide new producer partnerships - Farmer identity extolled, creative story telling and customer interaction implemented



- Key Issue: Production Planning



Maturity Model -Start Up



- Business Characteristic
 - Product and procurement expectations have not been agreed, understood or documented
- Food Hub Evidence
 - Relationship with farmer exists, but no knowledge of needs from Food Hub or farmer are communicated



- Transition Point
 - Developed metrics inform planning and sales simultaneously





Why do we need metrics?



What you Measure You Do!

Maturity Model -Developed

Execution from the control of the co

- Business Characteristics
 - Planning occurs in conjunction with metrics to measure adherence to plans
- Food Hub Evidence
 - Farmers understand market needs
 - Food Hubs measure farmer's commitment to these needs



- Transition Point
 - Producer and Customer direct communication and trust fostered





Maturity Model -Mature

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- Business Characteristic
 - Fully/mostly integrated with sales, operations and distribution
- Food Hub Evidence
 - Entire SC reactive to producer's present and future production
 - Established metrics guide producer evaluation and new producer partnerships

Maturity Model Trends

- Key Producers
- Unique Products
- Documentation



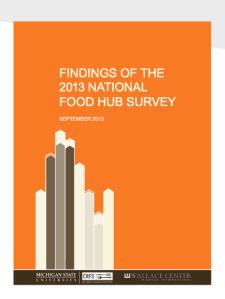


Interview Trends

- Develop (quantitative) metrics
- Packing and Grading
- Collaborate or Die!
- Know thyself







Future Research Need

- Test the model for usefulness
 - o Refine and Add
- Developing metrics



Thank You!

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