

Envision Your Future

The leadership to think like a CEO is essential for navigating the industry's future, says this farm business expert.

by Kindra Gordon

Great leaders rally people to a better future." That quote by author Marcus Buckingham is one that ag business consultant Bob Milligan hopes ag producers take to heart as they plan the future for their operations.

Given the fast-paced changes and volatility in today's marketplace, Milligan emphasizes that leadership — and thinking like a CEO — are required to achieve future success.

The Cornell University emeritus professor explains, "You can still do the day-to-day work, but planning future strategy has to be an ongoing process. It can no longer be something you do a couple times a year with your banker."

He continues, "The focus in agriculture has historically been on management for production. But to facilitate growth and create change, leadership is needed. Think about the leaders whom you admire. Are great leaders known for maintaining the status quo? No. Leaders create change."

Start with your vision

Milligan says identifying the "vision" for your business is a necessary beginning, and he shares that a commonality of all leaders is that they have a clear and exciting vision for the future.

"The vision answers the question 'Why does this business exist?' rather than just explaining what it does," he says. "A vision statement should provide meaning for everyone associated with the business. It clarifies the reason for its existence and provides direction, meaning and a basis for decision-making."

With that said, Milligan stresses that the vision cannot be intuitive; it must be articulated and talked about. He encourages writing down a clearly defined vision, mission and goals — all of which help create direction and motivate employees.

From that, the strategy to achieve the vision can be determined. But, with the increasing changes in agriculture, Milligan stresses that planning a business' strategy must be a top priority, while also offering the ability to quickly be adapted.

He explains, "Every farm must have a strategy, but it should be a compass, not a roadmap. With the continued turbulence in the market, a business must continually be refocusing and searching for opportunities and hazards."

As part of that process, Milligan says business operators must especially think about factors that affect them from the external environment so they can capitalize on opportunities and not be blindsided. Milligan suggests using scenario planning to evaluate possible impacts from such factors.

External changes to consider might include the world population, consumer attitudes and preferences, food safety and security, and environmental regulations.

Be proactive

As leaders envision their future, Milligan

encourages them to be proactive. He shares that research verifies there are only two ways to respond to change — either as a loss or as an opportunity.

Says Milligan, "You are the one who directs that in your business."

He adds that the more you plan for the future, gain knowledge and prepare for different scenarios, the more adept you will become at leading your business through change and challenges.

Failing is part of the process, he says. "The best way to increase success is to fail more. But in our culture we don't like to fail. I say the only real failure is the one we don't learn from."



Editor's Note: Bob Milligan will lead a lectureship titled "Human Resource Management for Ranchers" at the King Ranch Institute for Ranch Management in Kingsville, Texas, Sept. 21-22. For more information or to register, visit: <http://krim.tamuk.edu/Lectureships.html>.



Bob Milligan

Changing the culture of agriculture

Every business, organization and even family has a culture.

"Culture embodies the widely shared values, symbols and behaviors of an organization. It's the way things get done," explains human resource expert Bob Milligan.

Unfortunately, the culture of agriculture is often a propensity to brag about how hard we work and how little we make.

"That isn't a culture that attracts new people to our industry," Milligan says.

With the rapid changes — and turbulence — occurring in agriculture, we all need to shift our traditional mentality to one with a broader, more proactive perspective, Milligan says. "A leader can create that shift."

Milligan's list of the changes from a traditional culture to new culture for agriculture includes:

Traditional ag culture	New ag culture
Financial records are primarily for taxes and lenders.	Financial records are the lifeblood for decision-making in today's business environment.
Focused on individual decisions.	Value team collaboration, synergy and decision-making.
Children are expected to farm; they have a right to a position in the farm.	Children are encouraged to seek careers that fit their interests and talents; they must earn their position in the farm business.
The farm is my life and my identity.	The farm is a business and career by which I support myself and my family.
Consumers are a threat; we must "educate" consumers.	Consumers buy our products; we must listen to consumers.