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Farm Update

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EDUCATION

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January 6, 2024

Management Resolutions for the New Year

A resolution is a firm decision to do, or not do, something. Instead of personal New Year's resolutions, I want you to make a resolution for business. What can you change to make your business better in 2024? Your business can improve by simply embracing a change to you, your farming partners, and your employees' mindset. Dr. Steve Isaacs, Extension Farm Management Specialist at U.K., presented the following discussion at the Farm Succession Seminar way back in 2015. The points he made then hold true today.

Dr. Isaacs states the ten traits he has observed in all successful farm managers are that they are goal driven, they seek and apply data, they are leaders, they are networked, they are dissatisfied, they are organizers, they are risk takers, they are smart, they work hard, and they take time to recharge.

Goal driven managers should have a written mission statement for the business including a definition of their business, family, and organization which describes what it is, what its values are, and what is trying to be accomplished. The mission statement should include a vision for the future and should be the basis for strategic planning. To fulfill the mission statement, goals are required as objectives to accomplish which can be measured and they must be "smart" goals.

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Specific in that they explain exactly what they want to do. Measurable so that benchmarks can be achieved. Attainable because an impossible goal contributes nothing to the business.

Relevant so that it applies to the mission statement. Timed so that there is a conclusion for the goal.

Good managers are data driven. They strive to know their cost of production. They like to establish and achieve benchmarks. They understand the value data provides their business and are willing to share it with peers. Examples include farms that conduct variety demonstration plots, measure yield contest entries, or provide records to the Ohio Valley Farm Business Management Association. Good managers use data to make the most informed decisions.

Good managers are leaders in their business and their community. They develop communication channels within their business among family, employees, and business partners. They coach, not boss. Good managers delegate, encourage, share credit, and serve. Good managers have character and integrity. They trust, are consistent in demeanor, they are sincere, confident, and have vision and passion for their work.

Good leaders are networked among peers. They realize their lack of ability and surround themselves with talent to fill the voids. Many have mentors to call on and often unknowingly serve mentees who recognize their talents and strive to replicate them in their businesses.

Good managers are dissatisfied. They're not happy with status quo and always seek innovation and efficiency. They are willing to adapt and even seek out change. Good managers are also organized. They take time to arrange all aspects of the farm for increased efficiency, they are focused, and they prioritize tasks to accomplish.

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Good managers are risk takers. They view the future offensively and are willing to take risks. They understand the risk/returns relationship as it relates to opportunity cost. Good managers are smart, but this isn't necessarily associated with formal education. They read, attend training, understand economics, are lifelong learners, and are curious to discover. They want to teach, not employ the next generation.

Good managers work hard and are not lazy, but they take time to recharge. Vacations are not for luxury, rather are opportunities to step away from the business allowing time to unwind and others to assume leadership roles in your absence. A well-managed farm should not require the manager's presence 52 weeks a year.

If you need an idea for a goal to set for your farm business, here's an easy one. Plan to cross train a farm family member or employee on at least one activity and assign them the responsibility to master it. This may require attending some off-farm training or inviting a third party to the farm to train them. Examples include anything you are doing that no one else has a clue about, and probably no interest in. That might be the process you have for entering payroll and paying bills, landowner relations, selecting seed and herbicides, or managing machinery technology and data.

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