

## Views from VanDeWalle

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### Characteristics of a Successful Producer

A new year often brings a sense of hope for new opportunities and bright beginnings. For many Nebraskans, the year 2019 brought many challenges and hardships so a new year is welcomed. Last month, the Farmers & Ranchers College conducted a program with Dr. David Kohl titled “Agriculture Today: It Is What It Is... What Should We Do About It”. He provided many insights on key economic indicators that will impact agriculture. What I also appreciate about his message is how he points out key characteristics of what makes a farm or ranch successful. Goal setting is so important and also so under-utilized. I’ve heard and presented the importance of goal setting for years and it was refreshing to hear him emphasize some key points. Dr. Kohl pointed out that 80% of Americans don’t have any goals and of those who have goals, 4% that have *written* goals obtain more money and success than others who do not write their goals down.

In any business, it is important to be proactive rather than reactive. Those who pre-market their grain are generally more successful than those who do not. Kohl mentioned that the culture of a workplace or farm is also important. Many leadership development speakers and researchers emphasize the importance of culture in the workplace. For example, in her book, *Dare to Lead*, Brene Brown points out the importance of a daring leader to cultivate a culture of belonging, inclusivity and diverse perspectives. She states that, “Only when diverse perspectives are included, respected and valued can we start to get a full picture of the world: who we serve, what they need and how to successfully meet people where they are.” For years, Dr. Kohl has pointed out that farmers and ranchers need their own advisory board that involves people who will challenge you and differ from your thinking. If we only hear from people who always agree with us, you won’t be challenged to improve your operation.

With a passion for leadership development, I appreciated Dr. Kohl’s message that interpersonal skills will continue to be critically important. He also noted the importance of having a positive attitude and the need to invest as much in human capital as in technology. Effective communication and being able to interpret data with critical thinking skills are also critically important for the future generation.

Finally, I’ve leave you with a checklist of business IQ management factors and critical questions for crucial conversations that Dr. Kohl has created. In the checklist, the most successful producers have the following written down: cost of production, cost of production by enterprise, goals (business, family & personal), record keeping system, projected cash flow, financial sensitivity analysis and understanding financial ratios and break evens. Also, those who regularly work with an advisory team and lender have strong management skills. Successful producers have a marketing plan written and execute it, in addition to a risk management plan. Successful managers have modest lifestyle habits and a family living budget. Progressive businesses also have a written plan for improvement with strong people management, have a transition plan, attend educational seminars such as extension programs and also have a proactive attitude.

For more information about the next Farmers & Ranchers College program which will be the Cow/Calf College on January 28<sup>th</sup> go to [fillmore.unl.edu](http://fillmore.unl.edu).