Don’t Tell Me Anything I Don’t Want to Hear
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After reading the comments and reactions on Ag Talk, I reread the “Family....By Invitation” article that appeared in the April issue of Top Producer. I didn’t see anything in it that took sides or appeared to be advocating the Family Farms business model. It simply provided information on a topic that has been a major point of discussion and rumors across much of the midwest.

One of the defining characteristics of the best managers I know is that they are open to exploring new ideas and different points of view. We are all conditioned by our beliefs, experiences, and biases, i.e., we see things through a filter. The management challenge is to make sure that your filter isn’t creating too many blind spots.

Try to keep two things in mind. First, strategic management is about anticipating, adapting to, driving and capitalizing on change. It’s hard to compete with or adapt to something if you don’t know or understand what you’re dealing with. Second, the function of a competitive market is to drive the economic return of the average producer to breakeven through supply and demand responses in both input and output markets. In equilibrium, the top end are profitable and growing, the average are hanging in there, and the bottom end are losing money and being forced to exit the industry. Being on the bottom isn’t always a matter of being a poor operator or not working hard; it can often simply be a matter of timing. Those who haven’t built enough equity, are too highly leveraged or lack sufficient liquidity can be victims of getting caught in a cyclical downturn. Business success and survival depend on continuous improvement at the pace necessary to stay in the front half of the pack.

If I’ve learned nothing else in my career, it’s that you don’t have to agree with or like someone to learn something from them. I’ve also found that I’ve learned far more from my mistakes than I have from my successes. The same is true for innovative or different business models. Even the biggest failures were often doing some things right. But, you first need to get past the emotion and the generalizations to determine what can be learned and built on. Remember, every complex problem has at least one solution that is simple, obvious and wrong.

It’s also important to recognize that different people have different goals and priorities. That doesn’t necessarily make one right and one wrong. Most successful managers are competitive and driven. Many live to work. For me,
it’s one thing if the differences are one of ethics or integrity, it’s another if it is just that the measures or standards of success are different.

One thing that directly or indirectly factors into all these issues is the certainty and increasing rate of change. A lot of people not only don’t like it, they resent it. Great managers follow the advice expressed by Jack Welsh, former chairman and CEO of General Electric, when he said, “The only truly sustainable competitive advantage is the ability to learn and adapt faster than your competition.” These managers have learned that change and their ability to capitalize on it creates their greatest opportunities. Unfortunately, too many people tend to change when they feel the heat rather than because they see the light.