

Start Up Wisdom from a First-Generation Farmer

By [Tanner Ehmke](#)

The book "[The Richest Man in Babylon](#)" by George S. Clason changed [Donnie Young's](#) life.

Filled with parables of financial wisdom, including quotes like "Where the determination is, the way can be found," and "I found the road to wealth when I decided that a part of all I earned was mine to keep," the book fueled Donnie's passion for building and growing his farm in southwest Kansas despite his never having grown up on a farm.

"The book had a lot of grounding principles that are very true," he says looking back on starting his farm nearly 40 years ago from scratch with no family inheritance and growing it to 10,000 acres of corn, wheat, triticale, grain sorghum and forage sorghum today. "Finance isn't rocket science. It's a lot of principles. If you follow those principles, it generally works out well. If you don't, you're in trouble."

At 61, Donnie today has the clarity of hindsight of how he slowly but gradually built a farm crop by crop, acre by acre. His first crop, which he self-financed at 23 after selling his car and motorcycle since no bank would approve him for a loan, was the first step in a long – and often times painfully slow – journey of working, saving, living frugally and investing.

"I look back and boy I got discouraged, a lot of times because things just weren't happening very fast," he recalls. "I was farming some pretty sorry ground and things didn't look good. Then all of a sudden, someone comes around and starts renting to you. And then you get lucky and you get one bought. It reminds me of what a friend once told me: You're going to make your money a penny at a time, not a million dollars at a time."

Living low-cost during those early days was also crucial to keeping his balance sheets in the black when income was slim. Donnie delayed getting married until his first crop was harvested, which gave him just enough cash to keep operating.

But even while money was tight, Donnie was committed to plugging a portion of his earnings into savings, which after a few years was enough to finance building a new home – paid for in cash. "I've never had a mortgage on it," he says, noting his life-long aversion to debt. "I refused to ever tie it up for collateral for anything."

Debt: Good, Bad or Ugly?

While Donnie managed to self-finance his first land purchase with cash, he wonders if he passed up an opportunity to expand the farm sooner by not getting help from a lender. Instead of paying cash for his first quarter-section of farm ground, he says leveraging it and buying two or three quarters of ground would have resulted in owning more ground faster. "But I would be hesitant to advise someone to do that today," he says, noting the difficulty of buying ground amid low crop prices.

"Debt will bury you," he warns. "It will absolutely bury you if you get too far down the road. The best thing in the world for me when I started was I didn't borrow any money. Nobody'd loan me anything. I had to learn to work without it." Even when banks agreed to lend to him on land purchases in later years, Donnie maintained a conservative approach to leverage and opted to pay mostly cash.

For today's younger farmers, Donnie strongly encourages getting started early on buying land but still maintains an ultra-cautious view on debt. "Land is a forced savings account, no different than owning a house versus renting a house. Every year you put some money into it," he explains. "So if you've got some money sitting in savings and you're going to farm, you ought to put it into some ground if you can find it and get started. But you've got to be careful in what you're doing."

And, he adds, young farmers today should put "The Richest Man in Babylon" on their reading list. "If you can ground those principles into someone fairly young and get them to listen," he says, "it's amazing what they can do."



Miranda to the Rescue

By [Davon Cook](#)

While cleaning out my desk last month, I found a humorous article torn from a magazine in 2004 (yes, I was *really* cleaning out my desk!). The article by Harvey King in *My Business* magazine compared big business vs. small business life. Many of your businesses are big in terms of operations, investment, and responsibility, but are still often considered small in terms of headcount and organizational structure, so please, no offense at the characterization. It mentioned things like, “In a big business, you feel lucky when included with those who fly on the corporate jet. In a small business, you feel lucky when included in the first boarding group on a Southwest flight!”

Most relevant for today’s column is: “In a big business, there are purchase orders and procurement departments...COOs, CFOs, and VPs, but in a small business, there is Miranda, the bookkeeper/office manager/receptionist.” This one hit home as I’ve been thinking lately about how to survive the administrative hurdles of a business “start-up”. Among the many burdens of a start-up are not only producing your product, but also conquering payroll, accounting, taxes, loan applications, permits, employee paperwork, and on and on. I wager one of the best things you can do is find your right-hand person, like Miranda (or Mike!), to help you out.

A friend of mine recently closed her own business and went to work for a local startup as the office manager. Not only does she know how to do all that paperwork, but she’s also used to *figuring out* whatever needs done. Recently she stepped out of a school meeting we both attended to solve an immediate company problem—borrowing a forklift to replace a boiler that was essential to production. That probably wasn’t in her job description, but she’s invaluable to that entrepreneur!

I recently heard a successful cattlegirl reflect on the skill she most prizes in employees—**adaptability**. She shared the story of her “Miranda” who started out working cattle, learned bookkeeping, and now can manage complicated export arrangements.

Is your young or small business benefiting from a Miranda to help manage the administrative headaches? I realize finding her/him isn’t easy in all locations, but think creatively and take the time to recruit the right person. (See my HR blogs [here](#) for some ideas.) Perhaps there is someone already present in another role who can adapt to what you need. Are you equipping, training, and delegating to empower her/him to be most effective? And if you *do* have a Miranda, thank your lucky stars and take her to lunch!

Faith and Family Business: Solomon’s Prayer for Wisdom (1 Kings 3)

By [Bill Long](#)

Beginnings are fraught with uncertainty and anticipation. We are buoyed by the possibilities and, at the same time, a bit fearful of the challenges.

But beginnings don’t just happen once. Veterans of family business know that new laws, products, staff, business opportunities and professional connections are constantly coming into your lives. The older I get the more I realize that I am just beginning with so many vital issues in life.

With this realization, the prayer of Solomon when he became King over Israel takes on special meaning. God appeared to him in a dream and simply said, “Ask what I shall give you” (1 Kings 3:5). What a wonderful invitation for one just starting out! And three things about Solomon’s and God’s interaction are noteworthy.

First, Solomon *admitted his insufficiency*. “You have made thy servant king instead of David my father; and I am but a little child; I do not know how to go out or come in” (1 Kings 3:7). We are trained in America to approach every task with overflowing self-confidence and bravado. But Solomon teaches us to recognize and admit our ignorance. How many of us can still pray: ‘Lord, I am but a child; I don’t know how to go out or come in’?

Second, Solomon asked for *wisdom rather than success*. In fact, the Hebrew words are very suggestive. Solomon asked for a “heart that hears” (3:9); a heart that could discern between good and evil. Naturally, Solomon needed that wisdom to govern, but we can draw from his prayer that our first, and daily, prayer might be for a “heart that hears”—hears other people, hears itself, hears the unspoken rhythms of nature’s cycles.

Finally, after Solomon asked for these, God responded and told Solomon that because he had his priorities straight (i.e., asking for a heart that hears), God would *give him so much more in addition* (3:11). A consistent message of the Scriptures is that if we seek first God’s kingdom and His righteousness, then other things will be added (Matt 6:33).

Whether you are just starting out in your family business or your family has been at it for generations, new beginnings dawn all the time. Make Solomon’s prayer for a “heart that hears” be your prayer. You’ll be surprised, or maybe you won’t, if so much more comes your way.

