

Family Business Insight for your Agriculture Company May 2015

Guiding Principles: Bob Tempel

By Tanner Ehmke

Entrepreneurship is in the blood of every team member at WindRiver Grain in Garden City, Kan. Bob Tempel, general manager of a diverse and growing company with 18 employees, says the best ideas come from the ground up. A team-oriented culture of embracing others' ideas and partnering with other businesses has paid off big for the company with continual growth. The culture of partnering and entrepreneurship, Tempel says, is founded in six core principles:

Be transparent: "We are very transparent in communication. If you work for WindRiver, you know how we're doing financially both in good and bad times. We strive to make sure everyone feels a sense of ownership. This open communication has allowed us to develop relationships and partnerships in a true win-win manner."

Embrace change: "Things are changing fast in the ag sector, especially when we see how commodity prices have dropped over the past year. The opportunities for growth look incredible for those who've developed partnerships with others. We're blessed to have an ethanol plant next door along with an export network when things heat up. Where we are today is nothing compared to where we'll be in three to five years."

Have passion: "You've got to have excitement and enthusiasm about the future. People are looking for a place they feel welcomed and excited about the opportunities ahead of them."

Hire talent: "I get to work with some of the most talented people you can imagine. We have a young man here that grew up driving a truck starting at the age of 10. He understands trucks and what it takes to be efficient. He calculates how much they can earn per day, like getting two short hauls to end the day after a long haul. Things like that make it efficient."

Take pride in who you are: "We're an American company and we take pride in that fact. We strive to grow and support the communities in we serve."

Treat team members and business partners like family: "I grew up in a small community where I was related or connected to most of the town. I felt they were in my corner, cheering me on to reach my God-given best. We strive to provide the same environment here. Together, we're going to win or lose as a team. We want our team and customers to know and feel how much we appreciate them as well as their business."

Luck, Hard Work or Both?

By Davon Cook

"Good luck follows hard work." A protégé of my father said my dad taught him that well-known maxim early in his career.

Have you ever been "in the right place at the right time?" Undoubtedly there was hard work involved in getting yourself to that "right" place. Opportunity is everywhere, but the primary beneficiaries are those *prepared to take advantage of it*.

What hard work are you doing now, to be in the right place in the future? Some examples we see from business-owning families:

- Investing in employee development beyond what's needed today.
- Building a cash reserve or financing plan to jump quickly on expansion opportunities.
- Planning a 5-10 year timeline of talent changes through retirements, and creating strategies around when and how to fill the organization's needs.
- Articulating asset ownership plans so family members have appropriate expectations about, and can plan for, their future.
- Strengthening financial management, including better budgeting, converting to accrual accounting or stepping up to reviewed financial statements before a bank requests it.



- Developing relationships with future landowners via multi-generational events, value-added educational offerings and disciplined communication efforts.
- Organizing the family and business for effective communication and decision-making through the use of advisory boards, formal boards, and family councils.

This work is hard in part because the need for it may not seem immediate. The payoff happens later, when that unexpected opportunity arises. When it does, if you've accomplished some of the activities listed, luck will follow.

Generosity Redefined

By Lance Woodbury

The last several issues of the *Dispatch* have featured <u>John Stanley's</u> wisdom on generosity. This time, I thought it might be helpful to back up and explain why I asked John to share his thoughts.

I believe John has a definition of generosity that speaks exceptionally well to family companies, at a time in which rural communities generally, and production agriculture businesses specifically, are dealing with a significant transfer of wealth. How that transfer occurs will affect your towns, your family members and your employees, and my hope is that you spend time contemplating how your generosity is linked to those constituencies.

Redefining generosity also offers a way for families to be more inclusive of <u>all</u> family members in the transition discussion, not just those returning to the farm or ranch. And generosity provides a way to communicate family values. In short, generosity is a solution that solves multiple challenges faced by communities, families and individuals in your family business orbit.

John suggests we think about generosity in terms of **relationships**, **strengths** and **resources**...in that order. Don't just jump to writing a check, which is often our default approach and, most of the time, leaves us wanting.

First think about your network - who you know, who might benefit from being connected to one another by you, and who is doing great work. Then, think about your strengths. What are you best at doing? Are you getting a chance to use that strength for the benefit of others?

After thinking about your relationships and strengths, *then* consider your resources: what you might give and how to make that gift most effective. John has discovered that when you follow this method, your giving accomplishes more *and* you feel better about it. My bet is that you also help your community and bring your family closer. To explore John's approach in more detail, consider purchasing his book.

Faith and Family Business: Checking your Heart (Proverbs 4:23)

By Dr. Bill Long

We usually think of the Book of Proverbs as giving us practical wisdom for living in short, pithy statements. Indeed, it does. But we run the risk of missing the depths of the book if we ignore a more general and thought-provoking statement like this: "Keep your heart with all vigilance, for from it flow the springs of life" (4:23). Other translations have it as "Guard your heart more than anything else" or "watch over your heart with all diligence."

Why the emphasis on quarding or watching the heart?

Proverbs believes we need to care for or tend our hearts because of the ease with which distractions come our way. For Proverbs, distractions may come through the *choices* we make and the *company* we keep. Using 21st century language, we are assaulted by all kinds of lures in life, and Proverbs would counsel us to take care before we act. This is especially true for those in family business, as the myriad and conflicting emotions, choices and relationships bring such complexity that it often is near impossible to center ourselves in the heart.

But Proverbs also realizes that a well-guarded heart leads to good action in the world. On the one hand Proverbs talks about us maintaining a healthy path ("keep straight the path of your feet, and all your ways will be sure," 4:26); on the other hand it encourages us to act with generosity and compassion. As part of your morning routine, then, do a "heart check." Ask God for vigilance in watching, protecting and encouraging it. Nothing, in fact, is more important.

