The Dispatch

Family Business Insight for your Agriculture Company November 2022: Drought

In preparing this Thanksgiving edition of the *Dispatch*, our first inclination was to focus on the themes of that day: gratitude, abundance, and family. But the more we thought about it, another theme kept intruding into our thoughts: privation and drought. They are all-too-present realities in our experience today. So, in this issue we decided to take on the theme of drought from three angles. Davon discusses the *family business* implications of drought; Ethan writes on a *word* that has helped him in working with those in drought; Lance writes about the various *personal* droughts in our life. May our reflections on drought lead us not just to feel that reality but also, as darkness can emphasize light in a painting, help us to recognize the things for which we are truly grateful in life. Keep in touch with your reactions. - *Bill*

The Weight of the Wait

Davon Cook

We all have people in our lives who are usually optimistic as well as people who typically see the glass half-empty. Lately I've had several conversations with folks I'd put in the first category. They are optimistic about life in general, but lately they seem to have a weight or even somberness to their words and mood that is uncharacteristic. The reason: drought. Drought is a semi-regular occurrence in some parts of the country, but right now it is widespread over a larger area all at the same time, including some areas not accustomed to drought. The voices from these areas are carrying "the weight of the wait" for rain. What does the weight look like?

- **The financial toll**. While thankful for strong insurance prices to counterweight poor yields and sky-high costs, long term financial implications persist.
- The frustration. Just like the teachers who struggled by not being in the classroom and living their vocation during Covid, so farmers and ranchers unable to produce their product or nourish their land now feel hamstrung and unsatisfied.
- **The uncertainty**. The length of the "wait" is undetermined. You are debating decisions daily about what to sell, what to plant, what to buy in the context of so many unknowns. It often feels like you are spinning in a never-ending circle.

All of those can take a heavy toll on mental and physical health. I've admired the peaceful attitude of those saying, "We're one day closer to a rain." But not everyone can tap into that faith and patience, or cannot do so consistently. I wish I had answers, but we all know there are no simple answers to drought. Rather, I have empathy, recognition, and prayers—and a willingness to be your conversational partner in these tough times.

Drought and Resilience

Ethan Smith

The old saying in the ranching world is "you're either in a drought, coming out of one, or heading into one". Many farmers and ranchers have experienced several droughts throughout their lives. This year was no exception, but now we may be in one of the most severe droughts in decades.

I once managed a ranch for a client in central Arizona. My predecessors, the owners, and the ranch foreman lived by the rule of "stocking for a drought" or operating with lower herd numbers in preparation for a drought. This reduced the financial and emotional shock in the tough times. They innovated and ran a cow herd with numbers well below their allotment allowance but outperformed the region in pounds weaned per cow. They focused on quality over quantity.

Although this family was not a legacy ranching family, they understood the importance of this philosophy. During our annual meeting at the ranch where drought had crippled the region for probably the fifth year in a row, they asked me, "How do other ranchers survive these conditions?" I responded by explaining that producers have two core sentiments: *eternal optimism* and *inherent resilience*. These two values are ingrained in our being and are essential for surviving and outlasting drought. In my experience, it is difficult to compare the resilience of farmers and ranchers. Many certainly wouldn't be where they are today without it.

We often hear the advice to "stock for a drought." Rarely is the word resilience used in this context, but I believe resilience is the key to surviving times of drought. How has your family exhibited or utilized resilience to weather the drought?

Different Kinds of Drought

Lance Woodbury

We tend to think of drought as an environmental condition, an absence of much-needed moisture to sustain our agricultural businesses. But drought can also be an *intrapersonal* condition: an absence of those elements most needed to sustain our mental and physical health. Consider these other forms of drought that you, or others close to you, may be experiencing:

- **Entrepreneurial drought**: Most business people enjoy finding, creating, or pursuing opportunities. But sometimes the entrepreneurial well runs dry because of boredom with routines or a lack of intellectual challenge.
- **Spiritual drought**: We all go through periods of feeling distant from our faith. It could be a tragedy that causes us to question our beliefs, or just a falling away from the rhythm of worship or prayer that has sustained our spirit.
- Relational drought. Running a business in a rural community can be a surprisingly lonely experience. <u>Arthur Brooks</u>, writing in his latest book <u>From Strength to Strength</u>, observes that business "leaders are particularly prone to loneliness, in no small part because real friendships at work are difficult or impossible with people under one's authority and supervision." Political polarization has also made it harder for many in a small community to have deeper conversations.

Despite these obstacles, we do have some ability to "make it rain" during these kinds of droughts. We can become re-inspired by bringing new people or ideas through our advisors, new employees, or younger family members, by attending meetings, or by serving on boards. A regular spiritual routine of thanks-giving or reflection, daily study, or participating in a small group at church can work wonders. Seeking situations where we can be vulnerable with other business owners, through peer groups or travel, or simply initiating contact with others, can create new friendships. Even amidst physical drought, we can still find life-giving experiences and a renewal of energy, much like rain on our pastures and crops.