

Guiding Principles: Carol Kitchen

When [Carol Kitchen](#) took the helm of [United Farmers of Alberta](#) (UFA) in April 2015, commodity prices were falling, profits were retreating, and UFA had lost a \$15 million lawsuit just prior to her arrival. Carol's new role as CEO of the 100,000-member farmer cooperative with 1,200 employees based in Calgary, Alberta, Canada, brings no small challenges. After having previously served in leadership roles at ag coops Land O' Lakes, Inc., and GrowMark, Inc., Carol identifies 10 principles key to surviving and thriving through agriculture's cycles.

Follow the Golden Rule: "The Golden Rule comes first, whether it's dealing with our customers or dealing with each other. We should first think about how we would like to be treated in any situation."

Earn loyalty: "Like many retail companies had done, UFA tried to be everything for everybody, and that's usually not successful. We enjoy loyalty that we probably don't deserve. We're in the process of putting a sales force in the field that can work on relationships with customers. It's not just about selling people stuff."

Adapt: "Our challenge is to remain relevant and operate in a changing environment. The needs of producers are changing as we see the size of farms and demographic changes, and we're seeing massive consolidation with suppliers."

Know your risk tolerance: "I ran a global dairy commodity business in the U.S., learned to quickly figure out what we could control, and then manage the heck out of that. Whatever business you're in, know much risk can you accept in your P&L and manage risk from there."

Add value: "If the customer doesn't value it, don't bother doing it. Sometimes we do things that we think the customer values, but if they don't value it, they don't pay for it."

Manage for margin: "Know your target margin and try to lock in your inputs and your sales price around that. If you're shooting for the bottom of the fertilizer price every day, good luck. It's very cyclical. Those are the challenges we have to deal with in our entire system, particularly fertilizer."

Serve your community: "Community investment and engagement is important for us. We invest a million dollars a year in the places that we do business. There are towns in Alberta where we are the only retailer, so we need local communities that are strong."

Be transparent: "I do something called 'Conversations with Carol,' which are videos where an interviewer asks me tough questions and our employees, board and delegates can see the videos online. It's about the employees seeing what we're doing and that we have a fresh, open environment for questions and transparency. If we can engage our employees, we're going to be much better to engage with customers."

Advocate for your members: "When I got here, the political landscape in Alberta had just made a massive change. We now have a new government in power after 40 years and it is very important that we advocate and raise awareness of the importance of agriculture with all new elected officials, as they may have not had a direct relation to industry in the past."

Have a transition plan: "I have people that I've identified not just for my job, but for my VP's job and jobs below that. Talent is a very, very big deal from my perspective. It can make or break your business."