

# Family Business Insight for your Agriculture Company May 2016

## **Guiding Principles: Craig Yunker**

#### By Tanner Ehmke

Craig Yunker and his son, Christian, are managing partners of a growing farm portfolio in New York consisting of about 6,000 acres of vegetables, corn, wheat, soybeans, cabbage, onions, green beans, peas, spinach and malting barley; a feedlot raising 4,000 head of dairy replacement heifers; and a 300-acre commercial sod farm. Located between two metro areas of Buffalo and Rochester, the diversified agribusiness has maintained a path of growth and success since Craig's father, Carl, started the farm in 1951 with 18 dairy cows. Craig identifies 11 principles that have guided the family farm for three generations.

- 1. **Hire the right people:** "The core is finding good people and letting them help the business grow. Your name doesn't have to be Yunker to be part of the farm."
- 2. **Invest for synergy:** "Each business has a management team, budget, payroll and P&L, but they'll share equipment and truck drivers, depending on the season and the need."
- 3. **Treat people right:** "My father always said, 'Treat other people so that when they walk away they're happy they did business with you.' I think that is a great deal of our success."
- 4. **Engage with neighbors:** "Around here, we have a lot of neighbors that aren't involved in agriculture and we have a lot of landlords that are several generations removed from the farm. We try to let them know what we're doing with a newsletter."
- 5. **Add value:** "We did a partnership with our town and dedicated 45 acres of sod to a sports park with 12 full-size soccer fields. This last year we built a concession stand. That's a lot of fun and it added value."
- 6. Learn and adapt: "We're copy cats. We look at what successful people do and try to adopt it."
- 7. **Diversify:** "The corn and beans business cycles are not the same for the sod business. It has cycles, too, based on construction and home building, but it's not related to the agricultural cycle."
- 8. **Communicate regularly:** "We meet with the crew every morning at 7 a.m. We want everyone to understand what's going on so they can help each other. That 20 minutes in the morning used to get my father upset. He thought they were sitting around doing nothing, but I like to take that time to communicate."
- 9. **Serve your communities:** "We encourage our employees to be engaged in the community by serving on boards. That's good for community and us. We try to make the point that the farm is not why we exist. We farm so we can live full and meaningful lives with our families."
- 10. **Take risks:** "We push the envelope in terms of leverage. That's why we've been able to grow. If we would have been conservative, we wouldn't have grown."
- 11. Let the next generation grow: "I was very fortunate that my father was willing to let go of the reins and gave me as much responsibility as I wanted. I've done the same thing with Christian. There's a balance to it, but as he wants to take more responsibility, that's great with me."

# Faith and Family Business: Adding Value to Communication (Proverbs 15:2)

#### By Dr. Bill Long

As a leader in your family business, you have the responsibility of communicating frequently with co-workers, suppliers, an array of professionals with whom you work and, most of all, your family. You have to know so much, and you have to be able to communicate much of what you know in a timely, accurate and clear fashion. Failure to do so can lead, at best, to temporary confusion and, at worst, to chaos. In a word, you need wisdom in communication.

The Book of Proverbs spends a lot of time connecting wisdom with the way we frame our thoughts and communicate them. Last time I emphasized a seeming paradox in Proverbs—that it is "soft" words that actually "break bones" (i.e., are very powerful—Prov. 25:18). Today I mention another thought about communication



according to Proverbs—that wise speech actually makes knowledge that we communicate more attractive.

The verse for today allows for several translations, but most accurate are: "The tongue of the wise makes knowledge beautiful" or "the tongue of the wise enhances knowledge" (Prov. 15:2). The startling point here is that the person of wisdom is one who takes time to cultivate his or her words, with the result being that the knowledge you actually communicate is thereby made more beautiful.

For Proverbs, words are our verbal "dress" or "outfit." Just as none would go out the door without checking on how we "look," so the wise person, according to Proverbs, spends time on how we "speak." Your good words make knowledge, and thus most of your communication, more beautiful. It is worth spending time searching for these words.

## **Invest in Training**

#### By Davon Cook

In my experience, most family businesses under-invest in developing their team's technical and interpersonal skills via training and learning opportunities (and by the way, that *team* includes you, too). Effective training is a large topic, not likely to be solved in one newsletter article. But consider these points as you reflect on the adequacy and success of this investment.

Focus on why training matters. What are you hoping to accomplish? There is the obvious goal of equipping an employee to efficiently and safely complete a task with desired quality. There's also a bigger picture goal of continually adapting to a constantly evolving world. A recent Harvard Business Review article states, "The only way for organizations to ensure their workforces are fully productive and able to achieve business goals is to make sure employees are *continuously learning*, so that they are driving the business forward." This challenges us to think of training as an *ongoing habit*, not a *one-time event*.

**Reflect on what content is needed.** In addition to your own brainstorming, ask your employees to help identify areas in which they need additional knowledge or skill development. This should be part of regular conversation about their performance and their future goals. In this conversation, include not just technical skills but also interpersonal and leadership skill development.

**Decide where** to access the right tools. You should consider utilizing external sources like classes, workshops, and webinars as well as your own internal training. Don't undervalue how much technical knowledge can be shared internally if you're intentional about it. This can vary from shadowing an expert, utilizing Standard Operating Procedures, demonstrations by other employees, or creating your own video segments. In my next column I will discuss more about structuring your own internal training efforts.

For interpersonal and leadership development needs, look all around you for opportunities. Besides big name national workshops (e.g. Dale Carnegie, SkillPath), your community college or Small Business Administration may offer leadership development courses aimed at working professionals. Some vendors recognize their customers' need to access management training; they offer management mini-courses. And we at Ag Progress have leadership development courses specialized for you and your employees.

While training is a big topic, take a few minutes to do a gut check on whether your organization is devoting the time and attention needed for *you and your team* to be life-long learners.

## Who's Your Neighbor?

#### By Cori Wittman

When I was five, my mom asked me what I wanted to be doing when I was 30 years old. Being the ambitious – and apparently extroverted – farm kid that I was, I told her quite decidedly that I wanted to live in a town where I had neighbors.

I'm sure in my 5-year-old reasoning I was simply drawn to the idea of a broader pool of playmates than my four older siblings who, awesome as they were, liked to drag me down the stairs in the bottom of a sleeping bag. But decades later, having come across neighbors in villages and cities around the world, I have come to better understand both the beauty and the weight of the term.

Having neighbors is a privilege. So is being one.



We know the Golden Rule. The Biblical mandate to "love your neighbor as yourself." But who are those neighbors we're called to love? For us farmers, are we off the hook until a neighboring farmer, a family friend, or maybe a fellow church-goer needs a helping hand?

The neighbors from whom I've learned the most, been challenged the most, and been blessed the most are the ones that look nothing like me. They're the ones that live a little further away, have different cards dealt them, or maybe have needs that make us feel a little uncomfortable.

It's the rough kid in town that came from a broken home and has dreams of college. His part-time fast food job isn't going to pay the bills, and you may not realize it but he's dying for a role model, some positive affirmation... and a job.

It's the outcast, the stranger, the sojourner; maybe the hooligan that shouldn't have been out mudding in the first place but got stuck. And now he needs a lesson in grace, and maybe a little time helping out on the rock picking crew.

Look a little further – or maybe not so far at all – and it's the refugee. The trafficking victim. The kid needing a foster home. The addict. It's easy (most of the time) to love the neighbors that look like us. It's comfortable. It's quickly rewarding. But tell me the last time you did something difficult and I'll tell you the last time you grew.

Seek out and love the neighbors that are hard to love. It'll grow them, and it'll grow you.

