

Guiding Principles: Steve Irsik

By Tanner Ehmke

Steve Irsik knows the value of family and business. As the general manager of Irsik Family Partnership from 1975 to 2013, Steve managed a family agribusiness that began with the family farm and ranch and expanded into controlling interests in two dairies and various private equity investments. The value of the partnership grew more than 400% during his tenure, and he managed to do it while keeping 45 family members together and invested in the family legacy that is now being passed on to a new generation of leadership. Steve offers five principles that guided him during his years growing a diversified family agribusiness.

Keep Capital Together: “I like the idea of keeping your capital together. Most families split their capital up and go their own way. That’s a less-than-ideal way to treat your capital or run a business. There are opportunities to do really exciting things if the family’s getting along and have a shared vision. If a family member comes up with a crazy idea, the capital can be there to try to start these ventures. That’s pretty exciting, whereas it’s harder for an individual to do that.”

Diversify the Balance Sheet: “You need to have diversity of the balance sheet. The business needs to be involved in lots of other enterprises. That’s about risk. That’s about opportunity. That’s something big and large that agriculture completely misses.”

Integrate Vertically: “I want it to be as vertical as possible and as close to the consumer as possible. That’s easier if you’re a multi-generation business because it takes more capital, vision, people and connections to do it.”

Don’t Overleverage: “My father started with zero. The first money he borrowed was a hundred dollars and he didn’t know how he’d ever pay that back. He told me, ‘Steve, one thing you never want to do is get yourself over extended.’ So, we never get overextended. If we’re doing a deal, you have a Plan A. And if that doesn’t work, we have B, and C and D. We’re never all in.”

Get Along With Family: “My father always told my four brothers and me, ‘You boys need to get along. You need to work together.’ That’s the way he and his brothers operated and that philosophy was handed down to us.