

Management Characteristics of Successful Agricultural CEOs

Danny Klinefelter

Regents Fellow, Honor Professor and Extension Economist

Texas A&M *Agr*Life Extension
and
Texas A&M University

Email: danklinefelter@tamu.edu

Phone: (979) 845-7171

Management Characteristics of Successful Agricultural CEOs

Three Key Messages

- Being a good producer, having a solid marketing plan, striving to be low cost and maintaining good records are necessary to be a top manager, but they aren't sufficient to describe the attributes which separate the best from the rest
- The best operate in a continuous learning and adapting mode, they embrace and capitalize on change.
- The biggest difference between the top 10 percent and their competition is timing, both in terms of entry and exit.

Management Characteristics of Successful Agricultural CEOs

1. They anticipate and adapt to the changing needs of their markets.
 - See themselves as sellers and both their suppliers and buyers as customers
 - Always looking at least two steps up the value chain
 - Recognize that the future will always belong to those who see the possibilities before they become obvious

Management Characteristics of Successful Agricultural CEOs

2. They are more open to exploring new ideas and considering different points of view
 - Mark Twain quote
 - Liberal and conservative

Management Characteristics of Successful
Agricultural CEOs

3. They are strategic thinkers

- Strategic management is all about developing alternatives, and anticipating and capitalizing on change
- It's about making sure your doing the right things and not just doing things right
- Gretsky quote

Management Characteristics of Successful
Agricultural CEOs

4. They are able to identify strengths and weaknesses in people, including themselves

- Build on strengths and compensate for weaknesses
- Get the right people in the right jobs and the wrong people out of the business

Management Characteristics of Successful
Agricultural CEOs

5. They operate in a continuous improvement mode

- Operate as a learning organization
- Recognize that the only truly sustainable competitive advantage is the ability to learn and adapt faster than the competition
- The Pareto Principle and putting first things first

Management Characteristics of Successful
Agricultural CEOs

6. They are always pushing the envelope, but are calculated risk takers and excellent risk managers

- Do their homework and consider options before any major undertaking
- Recognize that mistakes are synonymous with growth and progress
- They are opportunistic, timing is everything

Management Characteristics of Successful
Agricultural CEOs

7. They spend more time thinking about “what if” scenarios and developing contingency plans
- Don’t dwell on the negative, but consider what could go wrong and what to do if it does
 - Every entry strategy should have an exit strategy
 - Fire drills and the 4 D’s

Management Characteristics of Successful
Agricultural CEOs

8. They are more likely to seek input and expertise from outside the business
- They are aggressive information seekers and networkers
 - Sam Walton quote
 - Thinking outside the box, frequently requires getting outside the box

Management Characteristics of Successful
Agricultural CEOs

9. They see changes and challenges as opportunities, and don’t tend to view themselves as victims
- Don’t enjoy adversity, but recognize setbacks are a part of life, they learn from them, make adjustments and move on
 - Change creates opportunities for those prepared to act
 - The true measure of an individual lies in how they react and respond to adversity

Management Characteristics of Successful
Agricultural CEOs

10. They see themselves more as the head coach than as the boss
- The platinum rule versus the golden rule
 - The ability to attract the right people and motivate them will in large measure determine a business’s level of success
 - A leader is great, not because of his power, but because of his ability to empower others

Management Characteristics of Successful
Agricultural CEOs

11. Their approach to management is more balanced across key performance areas, and between the short and the long run

- The best aren't at the top in every area, but they are consistently above average
- Management studies

Management Characteristics of Successful
Agricultural CEOs

12. They spend more time on monitoring and analysis

- Not just a beginning and end of year exercise
- Focus is on spotting problems and opportunities before it's too late
- Treat causes, not symptoms

Management Characteristics of Successful
Agricultural CEOs

13. They are excellent problem solvers

- Accept the truth and admit when they're wrong
- Employ multiple perspectives
- Don't jump to conclusions

Management Characteristics of Successful
Agricultural CEOs

14. Their decisions are based more on reason and judgment and less on emotion

- They recognize and understand emotions, theirs and others
- Emotional intelligence is more important to success than intellectual intelligence
- Sports examples

Management Characteristics of Successful
Agricultural CEOs

15. They are more creative and innovative in
their approach to business

- Anytime they hear someone say, That's the way we've always done it, they know they have a competitive advantage
- They challenge existing paradigms, particularly when it comes to business arrangements
- They have the ability to adapt and apply the elements of one situation to another

Management Characteristics of Successful
Agricultural CEOs

16. They work harder at communication

- Drucker quote
- Buy-in and commitment require a clear understanding, a shared vision and a sense of ownership
- There are minimal things employees and family members want and need to know
- If a leader can't get his message across clearly and motivate others to act on it, then having a message doesn't matter