

Canadian Farm Business Management Council

The Next Innovation in Farm Business Management

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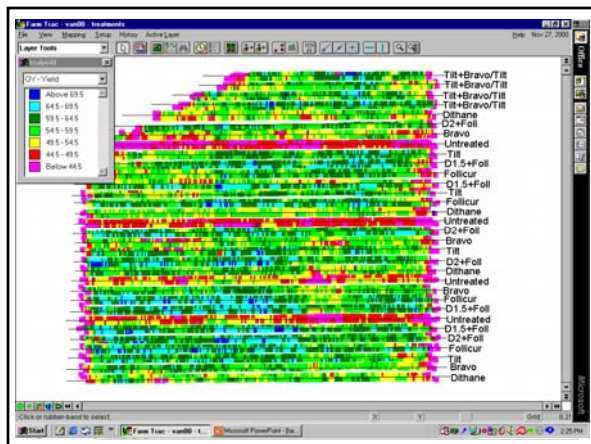


About Agri Skills Inc.

- Purpose:
 - Technology and Human Resource Development
 - Preparing People for the future of Agriculture
 - Helping Industry and Farm Managers understand each other and do better business together
 - Remove the barriers for personal success
- Process:
 - Training / Consulting
 - Field Scale precision trials and management systems

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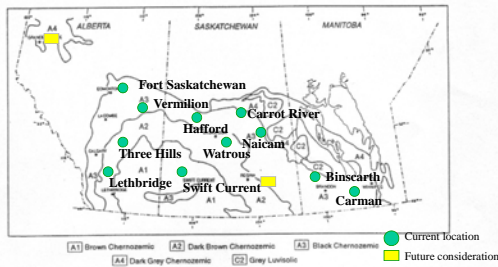
Two Sharpest Tools in The Toolbox



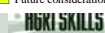
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Trial Network Locations



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Era's of Innovation and Evolution

- Homesteading – Personal goals
- Production Extension – interpretation of agronomic sciences
- Financial (Growth Leverage) – managerial accounting
- Market Risk Management – pricing discipline
- Valued Added Era – Sales and differentiation

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Big Box Market Strategic Alternatives

- CHEAP
- DIFFERENT
- Other
 - Suddenly politically crucial
 - or some other miracle occurs

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Agricultural Innovations

- Past
 - Production based
 - Often publicly funded
 - Delivered through extension
 - Corporate industry wide
 - For the benefit of all
 - Producer developed shared by all
 - One size fits all
- Increasingly broader and faster uptake limits an individuals advantage
- Innovations to raise the industry
- Future
 - Marketplace based
 - Ideas retained for strategic advantage
 - Branded and directed
 - Competitive to other supply streams
 - Controlled value chains
 - One size fits one
- Unique solutions within value building contracts and confidential business relationships
- Innovations to differentiate

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Five Scenarios

- Brothers
- Information Supplier
- Product Supplier
- Sharing Equipment with Neighbors
- Customer

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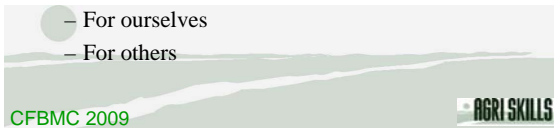
Common Thread

- Successfully accepting and navigating your way through difficult or high risk communications.



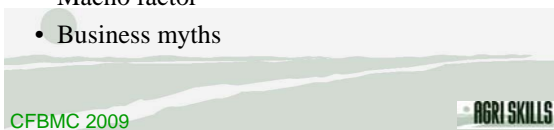
So What's New

- We already knew it was important
- Why we are bad at communications
 - Industry
 - Producers
- Some of the Tools we need
 - For ourselves
 - For others



Why the Ag industry is bad at business communications

- Commodity mentality
- Producers work alone
- Producer always the customer
- History of lots of choices
- Macho factor
- Business myths



Myth Busting

- It is all about market value
- Business should not be emotional
- The market can solve people problems
- You can grow your company into something substantial enough to be able to dictate the terms.
- It is a tough world where loyalty means nothing?

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Market Value(s)

- Mixed messages about what you stand for
 - In the event of confusion protect yourself
- Survivor mentality to partnership and teamwork

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The Emotionless Workplace

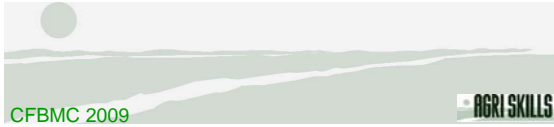
- Good to great
 - Purpose beyond profit
 - Deal with the brutal facts
- Business communication culture
 - Too scary versus too polite
- Friction and conflict an asset
 - Where do innovations come from?
- The future workplace

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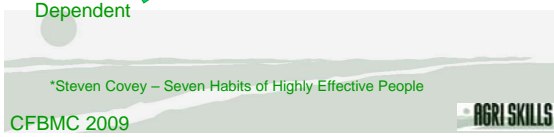
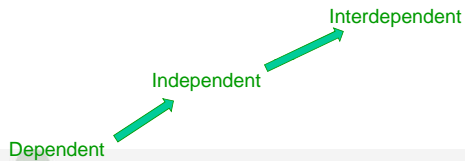


Market and Non Market Solutions

- Paradox
 - We look for transparent markets for price protection and then complain about a commodity mentality
- Be careful what you ask for



The Evolution of Relationships





About Loyalty Trust and Uncertainty

- Not a historical but future concept
- The need for trust and loyalty is a function of market risk and uncertainty
- Loyalty traps
- The concept of conditional loyalty
- Who can you trust?





**Just be Reasonable.
What is Reasonable?**

Scenario
Tension, friction and conflict?



Dog Barking Scenario

- It is a warm summer evening and you are camping for a week at a provincial camp ground. It is warm so the camper windows are open.
- At 11:00 at night a dog from another camp site starts barking and is still barking at 12:15.
- You have your 6 year old nephew/grandchild with you and they are supposed to be at day camp by 7:30 each morning.
- The barking is waking them up.

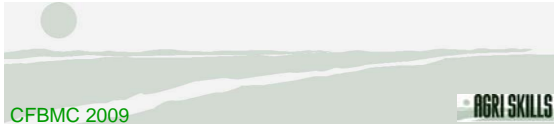
**Your Response
Dog Barking Scenario**

- A. Put up with it – try to ignore it – never bring it up.
- B. Put up with it that evening – try to work it into friendly conversation at the wash house in the couple of days.
- C. Put up with it for a limited time – go over to the other camp site that night.

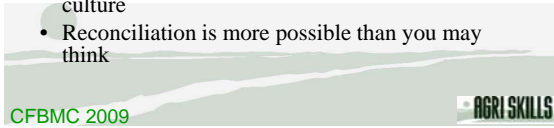
What holds us back?

- Fear
- Fixation on what could go wrong
- Sucker's choice
- Approach to conflict

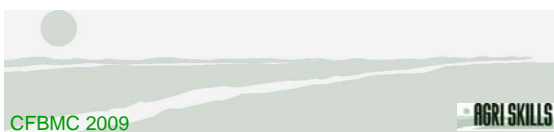


New Paradigm

- Conflict is okay
- People have choices in how they respond
- People can solve their own conflict
- I have only part of the story
- We all contribute to our conflicts (consciously or unconsciously)
- There can be win/win even in a competitive culture
- Reconciliation is more possible than you may think



Some Helpful Tools and Concepts for Understanding and Excelling in Difficult or High Risk Conversations



What is Really Going On?

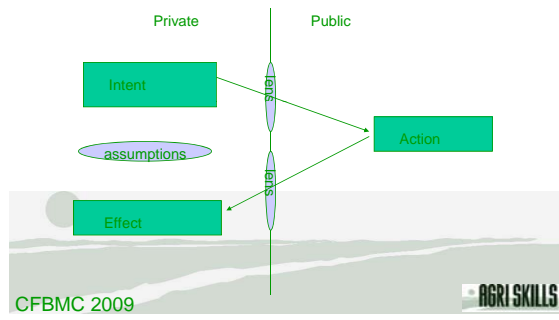
- Difficult Conversations*
- Three conversations
 - The facts
 - The feelings
 - Identities

– *Stone, Patton, Heen of the Harvard Negotiation Project

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Expectations, Conflict Intent Action Effect



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What We Do When We Run Out of Facts

- Make up a story to create a logic for what what doesn't make sense.
- We make assumptions
- What shapes what the stories look like
 - History (yours and others)
 - Mood
 - Emotions
 - Identity
 - other

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The need to complete the story

- See and Hear
- Tell a story in our head
- Generate feelings and emotions
- Take action

- The split second decision
- The conversation with our parrot
- Attribution Error

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The Parrott

- Never disagrees
- Repeats what ever we tell it
- Never provides new information
- Can be a constant and comforting companion
- Can be difficult to silence or retrain



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Best Defense

- Catch yourself making up stories
 - Consider alternate stories
 - Could there be a reason why a rational well adjusted person would do that?
 - Move to curiosity about the story not judgment about the action
- Avoid attribution error

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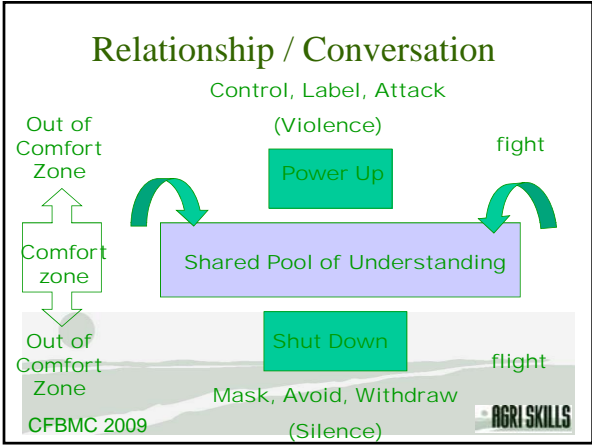


The Conversation is the Relationship

Shared pool of meaning and understanding

*Crucial Conversations - Patterson, Grenny, McMillan and Switzler

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Silence and Violence Leaks into Everything

You can't carry an "at risk" idea in your head or an "injustice" without it affecting how you think about other things.

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Tools

- Know yourself
- Create safety
- Invite their story
- Share your path
- Explore the road to the higher purpose

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Putting Things Together

Tools

- Know yourself
- Create safety
- Invite their story
- Share your path
- Explore higher purpose

Scenarios

- Brothers
- Information Supplier
- Product Supplier
- Sharing Equipment with Neighbors
- Customer

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The First 30 Seconds

Name, create safety, seek solutions

- The issue
- What's at stake
- What you don't want versus what you do want.
- What you may have done to contribute to the issue.
- Open curious invitation of the others view.

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Wishing you every success in
your important conversations

Questions



Reading List

- Loyalty Myths – Keiningham, Vavra, Aksoy, Wallard
- Integrity – Henry Cloud
- Crucial Conversations – Patterson, Grenny, McMillan and Switzer
- Mavericks at Work – Taylor and Labarre
- Difficult Conversations - Stone, Patton and Heen
- The Seven Habits of Highly Effective People – Stephen Covey
- The Speed of Trust – Stephen M.R. Covey
- Good to Great – Jim Collins