

Five Habits of Highly Effective Farmers

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■ Take Home Messages

- ▶ **Be proactive:** Being proactive allows you (farmers) to rapidly anticipate and identify problems as they appear and make appropriate adjustments to minimize the negative effects.
- ▶ **Realize a purpose for your business:** Successful farmers have taken the time to think about not only what they do but why they do it. Build a clear mission, vision, and core values for your farm. Make sure the entire team know your purpose.
- ▶ **Begin with the end in mind:** Goal oriented farmers always have the end in mind, with a clear vision of where they are going and how they are going to get there. Knowing where your farm will be in 5, 10, and 15 years allows you to have clearly defined goals.
- ▶ **Prioritize and manage:** Once you have an end goal, priorities can be set for what needs to happen to move in a straight line toward your goal, managing all areas of your business to get there.
- ▶ **Benchmark and analyze your performance:** Progressive farms set performance goals and review them often. Don't compare yourself to the average, but rather to the top 25%.
- ▶ **Sharpen the saw:** Renewing yourself physically, spiritually, mentally and socially will help you achieve the other five habits.

■ Introduction

Dairy farms all over the world continue to progress and be passed down from one generation to the next. Meanwhile, market sensitivities, consumer and regulatory requirements, labour availability, farm demographics, and technological advancements all place demands on our dairy community. Despite these pressures, successful farms have found a way to adapt and thrive. Top performing dairy farms have the distinct ability to step back and objectively assess their businesses and themselves. They are constantly doing SWOT analysis (strengths, weaknesses, opportunities and threats) of the business and conditions, and fine-tuning strategies to adapt or adjust to the circumstances. These farms are not distracted by or influenced by things that they can do nothing about.

American author Stephen Covey (1989) wrote a bestselling book over 25 years ago titled *7 Habits of Highly Effective People* that has become a timeless influential handbook for successful people and is still relevant today. This article highlights key habits that the most effective farmers practice every day.

■ Habit 1: Be Proactive

Being proactive is a state of mind and at the core of highly effective farmers. By concentrating on their circle of influence (Figure 1) and choosing how they respond to circumstances they have no control over, proactive farmers can change the nature of the results. Traditionally, our fathers and grandfathers ran their dairy farm in a reactive manner, being affected by the physical and social environment around them. Reactive farmers are driven by feelings, circumstances and conditions, waiting until there is a problem and then dealing with it.

Today, farmers are learning to be proactive, making decisions based on their core values. They are still influenced by the outside environment; however, they are self-aware enough to recognize that they can choose how they will respond to a given situation. They rapidly anticipate and identify problems as they rise, and in some cases, before they arise, and make the appropriate adjustments to minimize the negative effects. A farm may not be able to control whether its forage is too high in potassium or too low in energy due to weather conditions when making it, however a proactive farm will recognize its forages limitations and make the necessary adjustments without waiting for the cows to get milk fever or ketosis.

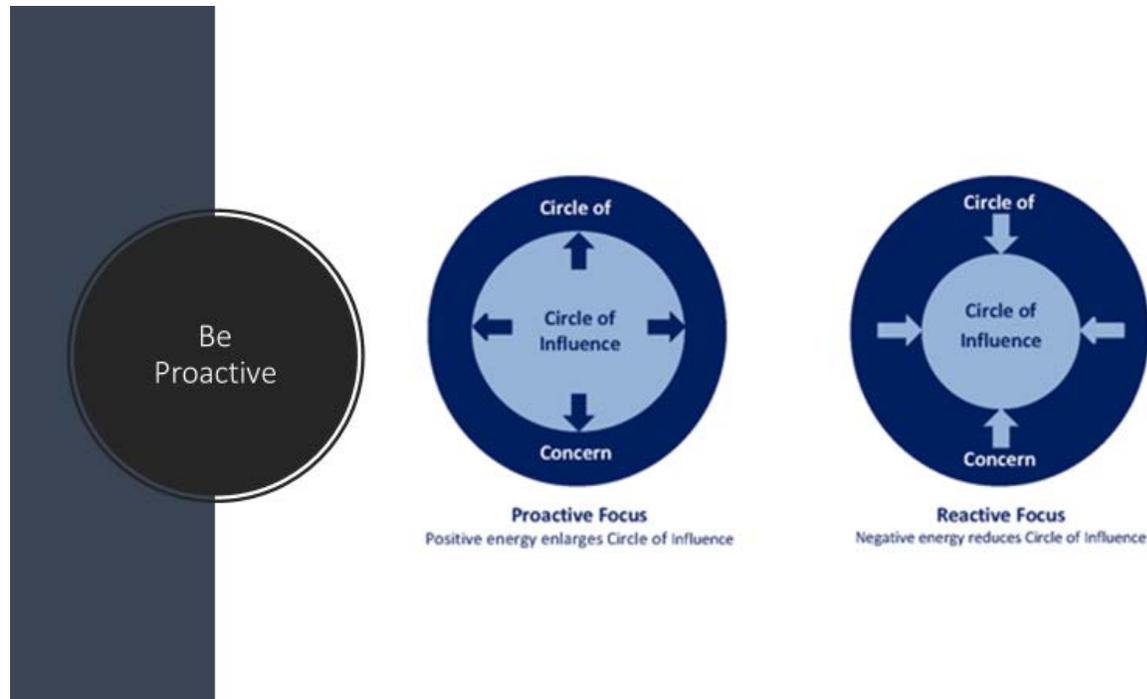


Figure 1. Being proactive means focusing on the Circle of Influence that lies within our Circle of Concern—concentrating on working on things that we can do something about.

▪ **Habit 2: Realizing a Purpose for Your Business**

Successful dairy farmers have taken the time to think about not only what they do but why they do it (Figure 2). Having a clear mission (reason for existing), vision (future goals), and core values for your farm will allow everyone on the farm to work more cohesively and move in the same direction toward a common goal. A farm's values guide every decision it makes and encompasses its purpose for farming. Before dairy farms, even small family owned/operated dairy farms, can truly be successful, they must first establish their core values and beliefs that make their farm unique. Common characteristics of progressive farms include being proactive, innovative, cow-focused, efficient, passionate, accountable and virtuous

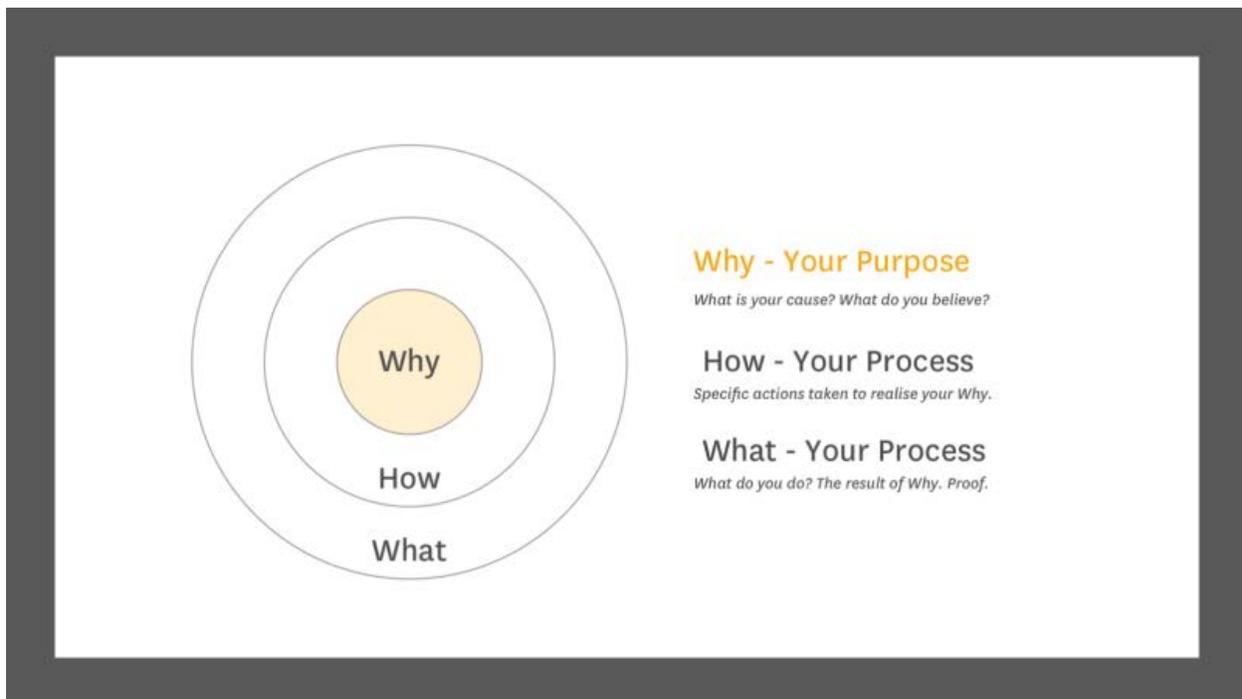


Figure 2. Realizing a purpose for your business relies on Simon Sinek’s principle of the Golden Circle: Why, How, and What.

▪ **Habit 3: Begin with the End in Mind**

All things are created twice, first in theory and then in reality. This concept may new for a lot of farmers. Traditional farmers can get distracted by what they think are victories on their farm— they reach a certain number of cows or a certain amount of milk in the tank, or acquire that next piece of land—without asking if the things they are focusing on so intently are what really matter to them. Goal oriented farms always have the end in mind, with a clear vision of where they are going and how they are going to get there. This allows them to always make sure that the steps they are taking are in the right direction. They know where the farm will be 5, 10, and 15 years from now, who will be running it and how big the farm will be and have even defined clear goals to achieve. This will allow the farm to be sustainable into the future. Progressive dairy farms take the time to make sure everyone on the farm has a clear understanding of the vision for the farm and ensures that each employee feels a part of the team.

▪ **Habit 4: Prioritize and Manage**

Once you have an end goal, you can set priorities for what needs to happen to move in a straight line toward your goal managing all areas of your business to get there. Progressive farmers are excellent at prioritizing and managing their operations. They do everything well. The most sustained success comes from doing 20 things 5% better rather than doing one thing 100% better. The most successful farms can manage the day to day tasks and pay attention to all the details that will allow them to achieve their goals. These farms possess an attitude of excellence and concentrate on doing the little things better. Standardized protocols are in place for key areas of the farm, such as milking routine, calf feeding, and reproduction. The most productive farms can transfer both the passion and attention to detail to its employees through coaching and mentorship.

As time moves on and different opportunities arise, whether it is to build a new barn, buy more cows, or purchase a new tractor, successful farmers step back and ask the question “Is this in line with my purpose, vision and goals for my farm?” This removes the old impulsive way of doing business. They also

manage risk by evaluating 'but-what-if' scenarios and have contingency plans and processes in place for situations such as: what if the interest rate goes up, the price of milk drops, supply management disappears? By asking the tough and uncomfortable questions, progressive farms can identify the weaknesses in their business. These farms intend to succeed and are confident in their plan, but they still have an alternate plan just in case.

▪ **Habit 5: Benchmark and Analyze Your Performance**

It's not enough to know how you compare to the average farmer, but rather how you stack up against the top 25%. Progressive farms set performance goals and review them often. They use technological advancements to monitor their farm and make necessary adjustments along the way in order to benchmark their performance. Analyzing the different areas of the farm against its performance goals can highlight things that the farm needs to stop doing in order to become more profitable. For instance, if a farm is understaffed and puts in poor crops year after year, perhaps it is better off concentrating on milking cows and having a custom operator doing the crops.

▪ **Bonus Habit: Sharpen The Saw**

For farmers to be effective in reaching their goals as farm owners and operators, they must devote time to renewing themselves physically, spiritually, mentally and socially. Dairy farming can be a lonely job and there are days on end that don't go the way that the farmer planned. The most successful farmers take the time to recharge their battery and remember the important things in life. They have developed productive skills that allow them to cope with the stresses of farming.

Four dimensions of our nature exist and each must be exercised regularly in balanced ways without one dominating another. To renew our physical dimension, we must eat well, get sufficient rest and relaxation, and exercise on a regular basis. To renew our spiritual and mental dimensions, we must practice daily meditation, communicate with nature, and take time to read or listen to music. This may be as simple as riding your farm land with the radio on and not just getting from point A to point B as quickly as possible but rather spending time thinking about what your land means to you and how it fits in with your values. The social dimension implies the importance of developing meaningful relationships. When you can really connect with another person, it allows you to feel less alone when the barn cleaner or tractor has broken down for the third time in a week.

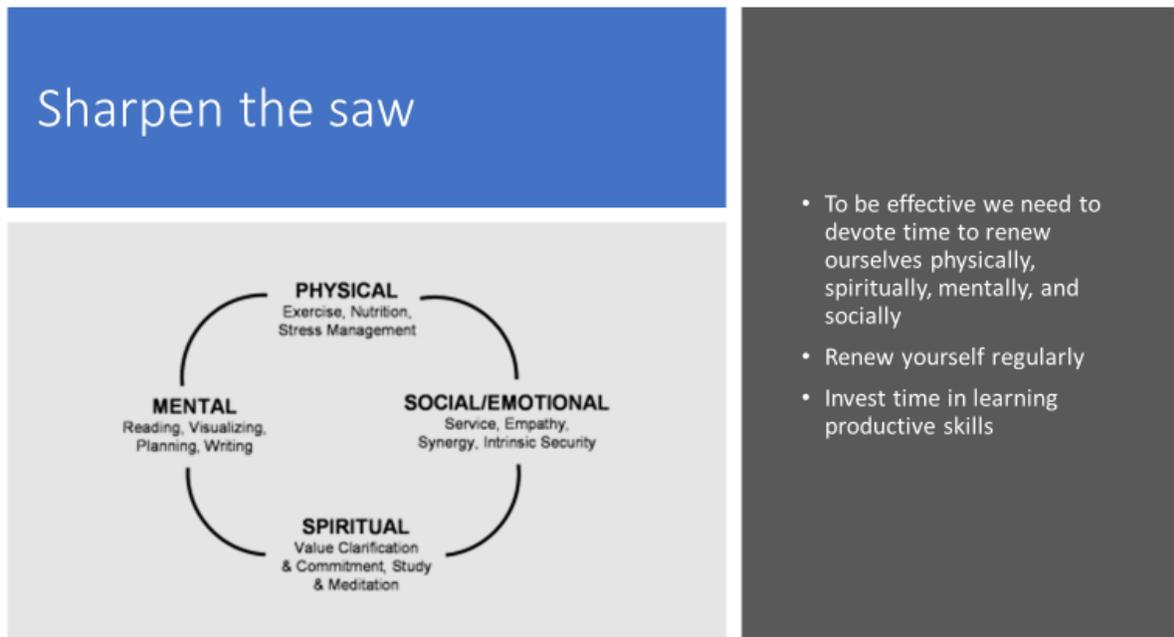


Figure 3. This key habit of renewing ourselves physically, mentally, and socially is what makes all the other habits possible.

▪ Conclusion

All the elements of highly effective farmers are called habits for a reason. They are challenging and need to be practiced every day. You must place the right employees in key areas on your farm (calves, parlour, breeding, and feeding) and give them the tools, support and knowledge to succeed. The five habits can be best achieved when you surround your farm with key advisors who can help you reach your goals.

▪ References

Covey, S.R., 1989. The 7 Habits of Highly Effective People. Simon & Schuster New York. (several more recent editions available)





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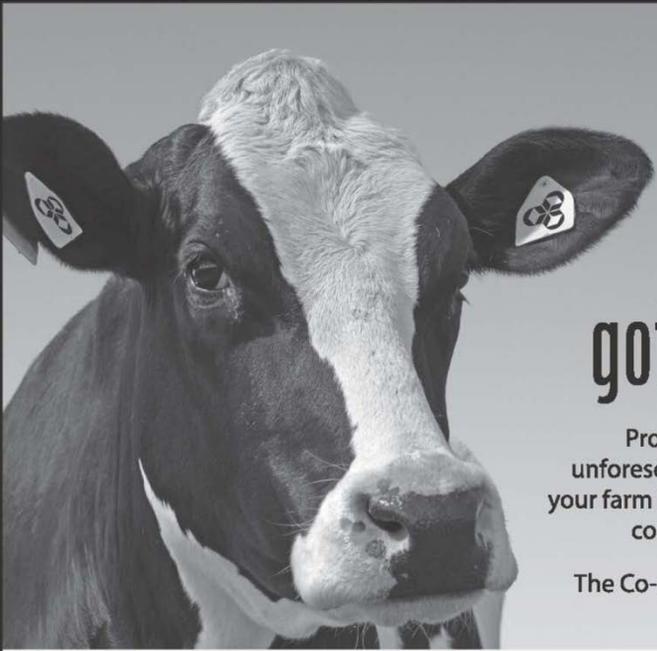
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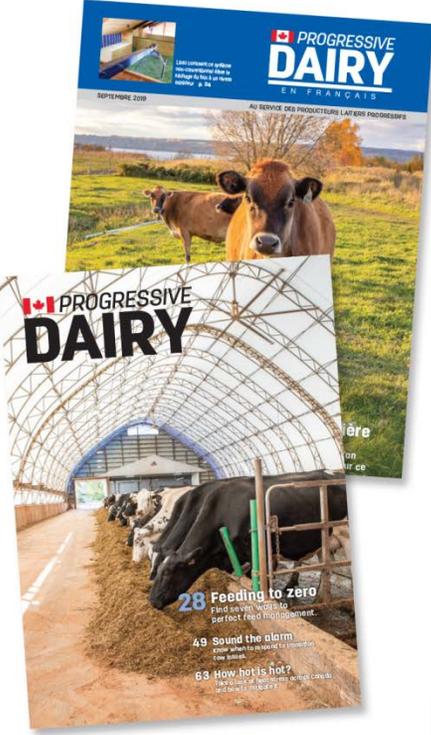
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