

Succession Planning

Management vs. Leadership



In February, I was privileged to speak at the Association of Agricultural Production Executives (AAPEX) annual meeting in Tucson, Arizona. Danny Klinefelter, the founder of AAPEX, asked me to facilitate a discussion regard-

ing succession planning, and he also allowed me to survey the attendees regarding their opinions about mentoring.

AAPEX is a 'study group' comprised of some of the brightest agribusiness minds in North America. I was inspired by their collective achievement, willingness to share, desire to learn and welcoming demeanor. These accomplished men and women are undaunted by current economic conditions and focused on finding the keys to lasting success.

From an observer's standpoint, the AAPEX forum is designed to stretch the imagination, challenge preconceived notions, vet new ideas and learn from the experience of others. Though every member of this group is successful in their respective field, the desire to achieve more brings them together as colleagues, competitors and classmates.

The AAPEX attendees I met shared three very important leadership characteristics. These agricultural leaders are:

1. *Fearless* – Each person I visited with had a calm resolve in the face of challenge. They know that, regardless of current conditions, the pendulum always swings from adversity to opportunity, and their job is to remain resilient and prepare for growth.
2. *Visionary* – They possessed an innate ability to see that which does not yet exist. The ability to visualize, to identify the possible, may be the most important characteristic of a true entrepreneur.
3. *Industrious* – Not just another word for hard work. These men and women are hardwired to persistently pursue success no matter what challenges or conditions get in the way.

Many of us recognize the leadership void in business, government and our community. For years society has tried to substitute good management for sound leadership and hope that the outcome will be okay. Though many people use the terms 'management' and 'leadership' synonymously, every business leader knows that, "management is doing things right, and leadership is doing the right things." But as Mark Twain wrote in 1888, "The difference between the almost right word & the right word is really a large matter--it's the difference between the lightning bug and the lightning."

Management is synonymous with oversight, guidance or administration. Management is a top down, boss-subordinate, hierarchal set of techniques designed to ensure compliance, obedience and conformity. Management is about:

- Controlling
- Supervising
- Administering

Leadership, on the other hand, is a learned skill. It is enhanced by innate physical, social and personality characteristics. But it is no less a skill that can be learned and developed. Leadership is a team exercise in which players separated by responsibilities are united by common objectives. The uniting link in an endeavor: "is how do we achieve our goal using our collective strengths and leveraging the abilities of each member?" Leadership is about:

- Influence
- Guidance
- Orchestration

When referring to management and leadership we must be mindful that one says, "You will do..." while the latter says, "We should do..."

Management is exemplified in a fast food restaurant where young inexperienced employees may be told what, how and when to perform tasks. Leadership, by contrast, may be seen in an orchestra who brings the talents and abilities of individual musicians together for a symphony of beautiful music.

When we counsel our clients about ownership transition, the conversation always centers on developing capable leaders. Leadership, and the ability to set an objective, explore alternatives, take decisive action, change course as necessary and persevere through the ruts is critical to long-term success in any endeavor.

During the conference Danny, allowed me to survey AAPEX members regarding their opinions about mentoring. A quick review from the survey demonstrates the need and support for a formalized program. The survey finds these leaders may be inclined to mentor aspiring leaders. A quick tally of the survey results finds the following:

- I. Leadership is the biggest challenge to confront agribusiness owners. (96%)
- II. Leadership is best developed through guidance, reinforced with experience. (87%)
- III. "I will learn mentoring skills" (75%), "...devote time to work as mentor" (76%) "... and will share information with protégés" (76%)
- IV. Leadership Skills Best Developed through: Experience (91%), Mentors (77%)
- V. Most Critical Mentoring Tool: Communication (82%)

As we finalize the results of the mentoring survey, and formulate options for introducing a program to benefit agribusiness owners from coast to coast, we'll inform FWEDA members and invite participation. Please don't hesitate to let us know we can help make your legacy dreams come true.

Source: Kevin Spafford is a Certified Financial Planner®, the Succession Planning Endorsed Provider for Far West Equipment Dealers Association and Northeast Equipment Dealers Association, and is a regular columnist for Farm Journal. His firm, Legacy by Design, LLC, guides farmers and agribusiness owners through the succession planning process. Speaking, seminars and workshops available.