

Planning Made Simple And Useful

Having an organized planning process at the farm level is not common. In the past when some of the most innovative farms have tried, the process is about as enjoyable as a root canal. If it were productive, it would be worth it. But in most cases the plan would sit the rest of the year collecting dust and be brought out a year later to change the dates and give it to lenders and other vendors, hoping to impress someone.

We've found planning can help transform organizations to what they want if it's simple and useful. To do that the plan needs to be a working document, reviewed at least quarterly and used by the owners and managers to make their job easier and more fun.

There are five key parts to effective business planning. They are a vision statement, mission statement, objectives, goals and tactics. The simpler the better, and some of the best we've assisted farms with have been as brief as five or six pages.

In this issue we'll review the vision and mission statement, the how, what and whys of developing one.

Vision Statement:

- The vision statement defines the long-term "30,000-foot" view of the business and helps management gain internal consensus about the direction.
- It is more general and conceptual in nature and doesn't include specific details about how it will be accomplished.
- It provides all stakeholders long-term direction and challenges them to consider how they fit and benefit in the organization.
- Allowing everyone to see this information is critical, since many

times they can help provide input and feedback along the way to make the vision a reality.

- A well-written vision statement will consider: why are we here, what are our ideological and core beliefs, how do we see the future and in the end how will we serve



those that we impact.

- As business grows, the impact on others will grow, and it's the responsibility of management to consider how they will be perceived by those around them including customers, vendors, employees and the community.
- This statement should be all about the future.
- Example: Smith Farms' vision is to create a foundation for future generations to build on by anticipating and effectively responding to change, creating an environment to adopt new technologies and position ourselves to capitalize on land acquisition opportunities, while constant-

ly striving to be a better landowner, tenant, neighbor, community member and steward of the land.

Mission Statement:

- The mission statement should be a one- to three-sentence statement defining your business and foundation blocks for how your business will run and grow.
- Unlike the vision statement, this statement is about today.
- It specifically defines who you are, what you do, how you do it and finally for whom you do it.
- It should be specific about customers, products, capabilities and include any uniqueness your business may possess.
- It is important that all employees know and understand the mission statement.
- Make this your own statement, unique to your specific situation. Then, most importantly, truly believe in what you say and make sure everyone in management agrees. If you don't, others will soon realize it is not true and they too will stop believing.
- Keep in mind the mission statement may change over time as your business changes. It's important to review and allow your mission statement to evolve as your business evolves.
- Example: Smith Farms' mission is to produce high-quality grain products and create an environment where employees feel respected and their input valued, while always striving to be respected among our peers and community. This will be accomplished with a relentless focus on maximizing yield, managing expenses and utilizing all tools available to maximize gross dollars per acre.

The process used to determine the vision and mission statements often stimulates brainstorming innovative ideas and consensus-building around the common direction and goals of the business.

In the next issue we'll discuss objectives, goals and tactics. Then we'll put the plan to use. ■

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