

WATER STREET SMARTS

Month 29, 2011

Building a Strategic Plan for Your Farm

KRVN's Ken Rahjes speaks with Dean Heffta, Water Street Solutions' Director of Development

Q: Where should a farmer start in building a strategic plan?

A: The first place to start on a trip, when you know where you're headed, is to know where you're at. You can use a **SWOT** analysis, which is evaluating Strengths and Weaknesses of your farm as well as the Opportunities and Threats present in the environment you're working in.

You're getting your people together and analyzing the opportunities that you have, creating that future vision, understanding what your strengths and weaknesses are. But you're also bringing some reality by exploring what's going to keep you from getting to where you want to go.

Q: Why is it important to get others involved?

A: It's a great chance to have that conversation and get other people's ideas because they might be seeing things that we don't see. It's also a chance for you to share what you're seeing. It's so easy to get wrapped up in the day-to-day processes that we forget to talk about what's really *happening* in the business.

Having these conversations and disagreements can really help strengthen the unity of the operation and get people on the same page. Through this you can craft a big goal that can stretch and inspire the team toward new possibilities.

Q: Dean, can you explain some more about these "big goals," and maybe give some examples?

A: A farmer always has goals on his farm, probably more than he even thinks about. But a *big* goal—something that's audacious and really challenges him—can focus that producer on thinking about new ways of doing things. Maybe he wants to produce 300-bushel corn. It's best to have these huge goals that really stretch you—something you can bring to the farm that really challenges the way you've been doing things. Do that, get people together on the same page, and you can start pushing everyone's actions and energy toward achieving that goal.

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Q: Can we talk about some of the important elements when it comes to setting these large goals, or even just incremental ones?

A: Sure. You can break it down and make sure that:

- 1) It's a specific goal
- 2) You are able to measure its level of success
- 3) It's something that can be attained
- 4) It's realistic, or it applies to your business, and
- 5) You've defined a time frame. That time frame could be six months or it could be two years.

Without being specific, measurable, attainable, realistic and time-bound, it's not a goal; it's just a wish. The strategic plan you're going to put together will have more pieces than just that, but it's a great start.